Interview with Leonard J. Saccio

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR LEONARD J. SACCIO

Interviewed by: Melbourne Spector

Initial interview date: September 30, 1990

Q: This is an oral history interview with Ambassador Leonard J. Saccio. It is a part of the oral history project on the Marshall Plan and its immediate successor agencies, and it is also a part of the regular program of the Association for Diplomatic Studies; that is, the Foreign Affairs Oral History Program. This oral history program is located at the Lauinger Library at Georgetown University. The portion of the Marshall Plan and successor agency studies is being financed by a grant by John J. Grady.

Ambassador Saccio has had a distinguished career in government, in private industry, and in academia. His career in the government is especially interesting from our standpoint, because he served in very high positions not only in the Foreign Aid Agency at the headquarters and abroad, but he also served as an ambassador.

My name is Mel Spector, and I am the director of the Marshall Plan Project. I had the pleasure of serving under Ambassador Saccio when he was the deputy and acting administrator of the Foreign Aid Agency.

Mr. Ambassador, I'll take the privilege of addressing you informally, if I may, based on our own friendship. Why don't we begin at the beginning, sir, and tell me how you got into all of this?

SACCIO: Back in 1954, I was director and general counsel of a manufacturing company in New Haven, which was on the way of being sold or closed because of economic conditions in a product that it manufactured and sold. This being the end of the second year of Mr. Eisenhower's administration, I thought that that's the place I'd like to go to. I asked for some support from the people that I knew in politics and political affairs. And I got it very readily, particularly from Senator Prescott Bush, who interviewed me and said, in effect, “Yes, young man, perfectly willing to do so.” He got a few letters from his major contributors, so it was no real problem.

I just went down to Washington and looked around. And one of my supporters, who had been the speaker of the house in Hartford, sent me to two fellows. I couldn't understand what they were or what their position was. But it turned out that they were in that group of people who serve senators and representatives—staff aides—who knew the Washington setup inside and out and were not particularly dedicated to any particular representative. They would move from one job to another, working with a senator from one state or a representative from another state.

Q: They really are career people, aren't they, on the Hill?

SACCIO: They are, on the Hill. They always get some sort of job, and they have no worries about advancements or things of that kind, because this is what they do, and besides being awfully amusing in the way they spoke about what was going on in town. And after chatting with them, they picked up the phone and said, “We have an interview for you up here and one there.” The one they emphasized was the Foreign Aid Program.

At that time, it was a separate institution, headed by former-Governor Stassen. And I walked into the place, and there was a young fellow by the name of Levine, I think his name was, who was in charge of personnel, and he just said, “Okay. What kind of a job do you want?”

I said, “Well, I'm a lawyer, and this is where I want to do something.”

He said, “I think we have an opening.” So I became deputy general counsel within 15 minutes.

My wife was seated in the park waiting for me, and I walked out and I said, “We're all set.”

Q: Was this your first interview? This was the first agency that you went to?

SACCIO: I think so. I don't think there was any other. Well, at least they knew where the openings were and said, “Anybody who's a friend of So and So, is a friend of ours, and we'll see what we can do for you.” So it was as easy as that. Strangely enough, the lady who was in charge of personnel, her name was Pryor.

Q: Helen Pryor?

SACCIO: Helen Pryor. She later was assigned to South Korea as the administrative officer there. When Levine said, “We have this job,” I got interviewed by Chris Herter, Jr.. And he looked at me and he looked me over, and he said, “Sure, it's just fine.”

Q: Chris Herter was in the Foreign Aid Program?

SACCIO: Yes. Chris Herter, Jr.

Q: Jr., of course.

SACCIO: He was general counsel, and I became his deputy. The joke was that my title of deputy general counsel was more resounding to people than general counsel was. People would say, “Well, deputy general counsel, that's pretty important.”

Q: It has a ring to it.

SACCIO: For some reason or another, I went into Helen Pryor's office and said, “Here I am.” She gave me the cold shoulder. She let me wait in this small office before she let me into her office and then swore me in! It wasn't the same day, but when I finally came down. We packed all of our stuff here. We lived in Bethlehem up the road here, and we got all our things in our station wagon and just drove down. We got there, and she said, “Raise your hand,” and swore me in.

When Chris Herter heard about this, he was furious. “That's not the way to swear a man in. You'd think you are a clerk or something.” But I later discovered and became, of course, great friends with Helen Pryor, and she was one of my great supporters around the place. Her son-in-law whom I have known for years lives down the road here.

Q: Does he really?

SACCIO: But she was cold to me because I was a political appointee. I mean, I walked in and, by gosh, it didn't matter whether she had anything to say about it or not, I got the job.

On the program itself, the first interesting thing that happened was that the agency was subjected to an investigation or a review. If you will recall, the so-called Second Hoover Commission had a subcommittee on the Foreign Aid Program, and the subcommission was manned by one top man from a very important accounting firms. I can't remember the name now, but it's the big one and it's still the big one. And on it was Hollister. He was one of the members.

Q: John Hollister.

SACCIO: John Hollister. We were invited down. I just tagged along, you see, because Stassen was going to be a witness there, of course, as counsel. I don't know whether Chris bothered to go to it, but just to get educated, I sat down, and Stu Van Dyke was one of the witnesses.

The object of the commission was to investigate the extravagant use of counterpart money in Europe. Now, travel. Everybody was all over the place. And I think the subcommission took a little trip to Europe and came back absolutely astounded because of the palatial facilities and quarters that were built on counterpart funds, particularly Germany, which I saw myself a couple of years later. My gosh! I had a bedroom bigger than a conference room.

Q: By any chance, did they see Henry Tasca's place in Rome, the one he had? I will tell you about that off the record.

SACCIO: Stu Van Dyke, in his very calm and collected way, testified and he made his statement. He just went along and didn't try to contradict the commission. They were peppering him with this and that. All these people who were jumping on airplanes and spending a lot of money going back and forth. We had all kinds of commissions; people who were delighted to be on a commission because they got a free trip. These are not employees, but friends of whoever it was were put on a commission to take a little investigation here or there, as I remember it.

So I said to Stu, “You just go along. You don't say anything. You don't contradict them.”

He said, “You got to go through this. It's the old story.”

In other words, we were going through something that was known to be, and I soon discovered, that the whole AID program was a place where people got jobs as easily as I did because of background or political connection. I mean, if you were a halfway decent lawyer and you were a Republican and you knew somebody and had served the Party in

one fashion or another, it was fine. The Congress, at that point, was Democratic, and most of our time seemed to be spent on answering questions or going before congressional committees, aside from the presentation itself.

At least one operation—two operations—were based just on a committee getting after the Republican administration. One was Senator McClellan's committee, the Senate committee whose counsel was Bobby Kennedy. And the other was Porter Hardy, who decided that he was going to investigate Bill Warren, who had been the mission director in Iran, and at the time that he was being questioned by Porter Hardy, was the so-called economic coordinator in Korea. Senator McClellan was from Arkansas.

The business with Bobby Kennedy—I say Bobby Kennedy because he was the man who really wanted to investigate. McClellan was chairman, but he let Kennedy run the show as far as I could see. Bobby would just go up to him and say, “We want to do this,” and “That's perfectly all right.”

The big issue was whether there was any corruption in buying silos from an American company for supply to Pakistan—the famous Pakistan silo case. And the issue, as far as I could figure out, was why did we pick this company. There were apparently no bids. It happened to be a Midwestern company, which, of course, you could associate with Stassen's background and Bobby Kennedy was after getting the facts in order to criticize Stassen and his organization and the administration of the program.

The issue came to a point where he got a subpoena for two of our people in that division who were doing all the work in connection with the contract, whether they were in the contract section or in the—well, two men who they asked to come down to talk to the committee. And for one reason or another, there was some doubt as to whether they would go or not, so Kennedy got a couple of subpoenas “appear before the committee and we want to question you.”

At that point, Stassen was out of town. Chris Herter was out of town for one reason or another, and these fellows said, “What do we do? We got subpoenas; we got to go.” So Dr. Fitz said, “Well, go, but you got to go with them.”

So I said, “Okay.” So I went down, and we went into the committee room where I knew the senator held hearings. And before long, some young fellow came up to us and said, “We want you down in the office.”

I said, “Well, the subpoena is returnable to the Senate committee.”

He said, “Well, that's all right. Just come on down and talk with Mr. Kennedy.”

So we went down in the room, and he came out of his office and he said, “I want to talk to these two fellows.”

I said, “Well, you want them in your office. The subpoena is returnable to the committee, not to your office.”

And he said, “You will have to check this with your authority.”

I called Dr. Fitz right from the telephone in the hallway there and Dr. Fitz said, “Well, it's okay, but you've got to be present.”

Q: You were their attorney. [Laughter]

SACCIO: So I went back and said, “The agency is perfectly happy, but I have to be present.”

He said, “Absolutely not. I want to talk to them.”

I said, “Absolutely not. If you want to talk to them, I have to be present.”He said, “You just wait a minute.” Just as plain as that. The next thing you know, he leaves, and a message comes back, “Come on up to the committee.”

And then the thing bust out. “How dare you deny the counsel the right to question them.”

I said, “Senator McClellan...

Q: This is right before the Senator now.

SACCIO: No, the whole committee was there.

Q: Oh, you're before the committee now.

SACCIO: When Kennedy talked to the senator, he said, “He doesn't want me to talk to them, but we're going to do it because he insists that it's returnable to Senate.” So they pulled out an alarm, and every senator on the committee showed up, including “Scoop” Jackson and the famous rural Shakespearean. What was his name? The senator who quoted Shakespeare all over the lot and came out with some Shakespeare, “What does this man feed on that he dare?” [Laughter] Irwin.

Q: Irwin. Oh, the great Senator Irwin.

SACCIO: I got blasted. I said, “This is a subpoena returnable to the committee.”

And they said, “What right have you to talk? The subpoena is there. You're not their lawyer; you're the lawyer for the agency.”

One of the fellows—I've forgotten his name—he was cute. He looked up and he said, “He is our lawyer.”

Q: Good for him. [Laughter]

SACCIO: He was streetwise. He said, “We make him our lawyer; that's it.”

Q: And they didn't have to pay your fees, either.

SACCIO: Oh, well. They had a session and said, “Well, we can't have this.” So they immediately appropriated some money to hire a lawyer to represent them so there wouldn't be any conflict.

Q: Oh, I was kidding! That's terrific.

SACCIO: They did. It was great, though.

Q: I believe this is the subcommittee on appropriation, because McClellan was the head of that. It was a very important committee.

SACCIO: Oh, obviously. But at any rate, it had subpoena authority to investigate; that's what it had. It didn't have to go back to the Congress to ask for it.

And they sat there, and the issue became, “Can these people testify?” “Because,” I said, “these people are advisors to the director of the aid program, and what they say to the director is privileged.” And this is the first time the executive privilege came up in recent times. And “Scoop” Jackson, you know, started blasting me up and down. Where was he from?

Q: The state of Washington.

SACCIO: He said, “The district attorney has the right to issue a subpoena.”

I said, “Look. The district attorney has a right to ask a man to come to his office, but he cannot subpoena him. He can only subpoena him before the Grand Jury. Excuse me. I've had plenty of experience on this, because I was a prosecuting attorney in Brooklyn, chasing after corruption in Brooklyn.”

Well, he raved about that. But at any rate, it all came out and finally Stassen had to come before them. These fellows got their attorney, who was somewhat previously associated with the program.

Q: But was then in private practice?

SACCIO: That's right. At any rate, it became a great issue all over the place. Finally, in matters of this kind, it always breaks down so there is some sort of compromise, and they got the facts. And as we left the hearing with Stassen and Chris Herter and everybody in this big limousine that we were traveling, and he said, “Well, we can't do it this way. We'll just use their plans.”

I said, “You can't use their plans because, after all, they belong to them. You just can't appropriate the plans of this company to make silos.” So we dropped the whole thing.

The other thing, of course, was Porter Hardy.

Q: Pardon me a minute, Len. Was this early in your career that you had to go into this meeting? Had you been in the agency very long when you...

SACCIO: Two months.

Q: Two months. So this was your baptism by fire?

SACCIO: It was. It was that. And, fortunately, I had had some seven or eight years of experience as a prosecuting attorney, and I knew the procedures. And Bobby Kennedy didn't know the first thing about it, because he was not a criminal lawyer and he was recently out of law school. But he obviously was furious. And to a follow-up, when he came through Argentina when he made that famous trip down the west coast of Latin America and around to Argentina, when he came off the plane, there was Ambassador

Ed Martin to greet him and I was there, too. And he looked at me and said, “I remember you.” [Laughter]

But the other was Porter Hardy. There were other committees there who all wanted to do something and get something. There was one committee, the name of which I forget, sent in a request to have copies of all correspondence going on between Washington and the various missions, and they wanted them every day as they came in.

Q: Oh, my God!

SACCIO: Well, this was the kind of atmosphere. And, obviously, Stassen himself was the target, being a political, well known, and having ambitions—everybody knew that—and they were trying to get at him in one way or another.

Porter Hardy was after what he considered a mess in Iran. Iran was quite a post, because in addition to a mission director, a more fancy “economic coordinator,” as Bill later was in Korea. He had ten regions, as I remember, each with a deputy director, spread all over Iran, and they were doing all kinds of things.

Q: And Bill Warren was the only holdover from the Truman Administration, the only holdover, because John Foster Dulles and Allen Dulles talked to Stassen and said, “This man has to stay.” And Loy Henderson of State said, “This man has to stay. He's too important.” So it's interesting that he would be a target later, even though he was a holdover from the Truman Administration.

SACCIO: Well, Loy Henderson had been ambassador in Iran. Is that the connection?

At any rate, here again it was on and off, and Bill in no way wanted to cooperate with Porter Hardy. He considered him a lowly sort of politician, unimportant Congressman from the southern part of Virginia, and obviously trying to make a name for himself. And

as we go up and back, I stuck with Bill all the way. I said, “Bill, why don't you answer his questions?”

“Forget it. I'm not going to give him the satisfaction of doing anything. I'm going to sit there and just let him spiel away.”

Well, this went on, but it indicated the atmosphere of the place where more time was being spent, aside from the Presentation every year...

Q: The regular Presentations.

SACCIO: The regular Presentation. The other things in the first period: there was my own questioning as to what the program was about and, of course, learning the rules. I discovered, as everybody else did, but to me it was new, that the aid program was so infested with protecting the interest of everybody in the United States, aside from giving aid to other countries. Good old Reg 1 was so full of things. You had to protect the farmer, you had to protect small business. Everything was up and down the line, and before you could say that this man was qualified to have a job or a contract of one kind or another, you had to go through Reg 1.

It was so complicated and so long that of the ten or 15 lawyers we had in our office, only two—Peter Morse and a fellow by the name of Rothschild. Peter Morse was really absolutely the best lawyer we ever had in the place, and they were bound up on this thing. We had another lawyer, who used to be in Dulles' law firm, who was devoted solely to, I think it was Section 401, which gave the director of the ICA a means to cut through regulations in a case of an emergency or an important operation.

Q: A very important piece of legislation. It's very nice to have that.

SACCIO: And it was used, and I've forgotten his name, but he was an elderly fellow. I shouldn't be saying that, but 30 years ago, he was elderly. And he was very careful.

Absolutely he had to have everything in line, because he had to have a perfect record so that if there was any question, you know, “this is why we did it.”

The exceptions were that when Mr. Dulles wanted something, he got it. He said, “Write me a 401.” That's all it was, you see. He didn't have to produce all the little things that everybody else had to produce, which is understandable.

Q: Was 401 used sometimes for what we would say “political reasons”? I don't mean domestic political, but political vis # vis country X over what was considered to be a true economic problem.

SACCIO: Well, obviously you couldn't separate them, because that was the basic thing— I can get to that right now— that made it difficult for the aid program to work with the State Department, because they were two entirely different concepts. You can't separate the political from the economic. But the State Department, in its foreign policy, so to speak, wanted something done, and they didn't care whether it was economically sound or was really helping the country as far as its economic standards were concerned. Whereas the guys in the aid program wanted to see results in the way of production, increased food, technical assistance of one kind or another.

The assistant secretary in charge of the area, as in one case, Tom Mann, who was assistant secretary for Latin America at one point, turned to me and he said, “You know, when I was down in Salvador, those aid people gave me a lot of trouble.”

I said, “Why?”

“Well, they needed a fire engine down there, and I wanted them to give it to them and they wouldn't do it.” [Laughter]

And when there was some problem with—well, most of that, obviously, was a great problem. I got a call from one of the Secretary's' immediate aide and said, “Len, we want a shipload of wheat to go to—I think it was—Iran. Have you got any?”

I said, “What do you mean?”

“Yeah. We want it right away.”

So I called Dr. Fitz and said, “What do you have on float?”

He said, “There's a ship going to Egypt, but I won't give it to them.” [Laughter]

Q: That sounds like Dr. Fitz; I know.

SACCIO: He was furious. So I put out instructions to divert the...

Q: At this point, you were no longer in the general counsel's office. You were the deputy administrator, probably.

SACCIO: I'm not sure, because Chris Herter left pretty soon after. When Hollister came in and Stassen went out— I forget, Stassen became “Secretary of Peace,” and they put Hollister in, there was bad blood between Chris Herter and Hollister. They couldn't get along nohow. Hollister was a prominent lawyer from—what was it—Cleveland.

Q: From Ohio.

SACCIO: He came in. He had been a member of that Hoover subcommittee and knew all about the program, and his job was given on the theory that he would run it efficiently and not with all these expenditures all around the place. And before you knew it, the whole darn agency was stuck in the State Department, and it became a part of the State Department instead of a separate agency. The “white telephone” was pulled out.

Q: Oh, then it became ICA. It was FOA and it now became the International Cooperation Administration, and it was a whole new setup.

SACCIO: That's right.

Q: Later I'd like you to talk a little about that setup and your relationship to the State Department coordinator.

SACCIO: I think I became deputy later on, but I can't place that Egyptian's cargo as to whether I was. At any rate, I was the man they turned to, that's all. And I may have been deputy by that time, but I'm not sure.

That was the major thing that made it so difficult. And the other major thing, to my mind as a comparative newcomer, was whether this aid program was really doing something aside from giving plenty of dollar currency so these people could live and import industrial products.

One fine day I called up Dr. Fitz and I said, “This sending of tons and tons of food to Pakistan, what's going to happen when we stop? You know, the whole point is you are feeding them, but the moment you stop, they have no resources. They're agriculture is minimal.”

He said, “Len, I know, but we have to do this.”

I said, “I can't understand it.”

I should mention here that the one thing that Hollister did to the program as far as the substance was concerned, otherwise he was a good administrator, he created the worldwide malaria program. He did that job, and it was an essential plus to the substantive results of a good aid program.

I made the silly—I guess it wasn't so silly. I said, “What's the whole point of this? They haven't got any food and you're going for a malaria program without giving them the means of working. You're just making them better and you have to feed them.” I was being very neo-Malthusian, I suppose. And this fellow's clever answer was, “They still make babies when they have malaria.” So that was my answer. [Laughter]

Q: Now, were you made deputy under Hollister?

SACCIO: Under Hollister, yes. That was an interesting thing, and it's just an interesting anecdote. Let me see. Who was the deputy? Somebody left who was deputy, and I forget who it was. Oh, no, that wasn't it. The Hollister affair was when Chris left as general counsel, Hollister looked around from among all his law acquaintances looking for a general counsel. He had some friends in Philadelphia and some good lawyers. He offered them the job, and they said, “No way. We're not going into that.” So he finally turned to me. He called me up and he said, “I asked So and So and So and So, but I want you to be general counsel.”

I said, “Thank you very much. I appreciate that.” And they arranged a swearing-in in the big conference room we had in that building.

Q: The Maiatico Building.

SACCIO: And I called up Senator Bush's secretary and said, “They want to make me general counsel, and I'd like the senator, if he has time, to officiate at the swearing in.”

“Fine. He'll be there.”

When Hollister found out, he said, “I didn't know you knew Senator Bush.”

I said, “Well, I do.”

“Why didn't you tell me? I would have...

Q: Given you the job right off the bat. [Laughter]

SACCIO: I think that's under what circumstances I became general counsel. But at any rate, Hollister left and I would say that he had no background or direct interest in the substantive part of the program. I mean, he was just in love with Jack Ohly and his analysis, which were quite complicated, as you probably remember. Jack Ohly was his right arm. They would sit and talk about this thing, but there wasn't anything that came out of it that added something, or at least made a difference.

The program was pretty much settled between defense support, economic development, and technical assistance, and there was no great variety or changes while I was there for six years. And most of the time, the general counsel, and I as the presenter—I became presenter when some fellow who was a big shot in a law firm in New York—I think his name was Levin—came down and he insisted on putting up a big plaque over his door, just like the State Department assistant secretary's. Was it Strock & Strock & Lavan, I think, or a firm of that kind. He was there for two weeks and, “You mean I got to do all . . . This is too complicated,” and he quit.

Q: This was in the aid program?

SACCIO: Yes, that's right.

Q: And which job did he come down to do?

SACCIO: The presenter.

Q: Oh, to be the presenter. And he had a sign above his door?

SACCIO: Yes. He had the rank of assistant secretary.

Q: But he took one look and left?

SACCIO: He was there for a few weeks, you know. He'd stride in. And, here again, you see, I was taken in, just “Who else would do it?” My wife never forgave me.

Q: You'd go up there for days at a time, wouldn't you, to present?

SACCIO: Oh, yes. On one occasion, I got a call at 7:00 in the evening. We were entertaining a Latin American diplomat who was with the Latin American Bank, I think, and we got a call at 7:00, “Otto Passman will see you now.”

Q: Now.

SACCIO: Yes. And Gerald Ford was a member of the committee, as I remember. He would sit in and then leave. And I went up there with a 25-page statement, you see. I forget what the specific subject was, but I was defending the . . . His committee was, in effect...

Q: I believe Otto Passman took over from Porter Hardy. He had the same committee, but Otto Passman succeeded Porter Hardy.

SACCIO: I see. And he was a subcommittee of the Appropriation Committee.

Q: Correct. That handled the foreign aid program.

SACCIO: And Douglas Dillon, at that point, was either under secretary or top economic man in the department. And he would go before Passman and give the opening statement, and we would follow up with the details. An interesting incident: Otto Passman pulling out a clipping of that columnist.

Q: Drew Pearson?

SACCIO: Drew Pearson. Relating that a group of these guys from the aid program went off on a separate plane with their wives to review the situation in a number of stations of the aid program. He asked Mr. Dillon, “How come they're going off with their wives?” as if it were a junket.

And Mr. Dillon said, “Mr. Saccio will be able to answer that question well enough.” [Laughter]

Well, I went up there with Johnny Murphy, and I forget what my answer was. He wanted to know, you see; he waved the clipping. And I gave a very quick answer which amounted to the fact that we were going out to places where no superior officer of the agency had been, and that there had been no contact with the people out there and we knew nothing about how the families were getting on and I wanted to take my wife. And the reason why Mr. Roseman's wife was there was because he was one of the important officials and had been a director of the program in Cambodia before, and she knew what it was about.

There was some other remark I made which—oh, he, Passman, had been criticized by somebody, and I just said, “You know, like these people who criticized you.” So what did he do with it? He threw it away. [Laughter] Well, the best statement I ever made before the Passman thing...

The statement I made was when Passman just said, “All this stuff is just dollar diplomacy,” I said, “I know about dollar diplomacy. I've studied our history. Philander Knox was the guy who invented that word, and this is not.” And I pulled out a speech about all the good that was being done. We weren't just bribing people. And Gerry Ford looked at me and did a little chuckle, and then he left.

Passman was a funny guy, because in one way or another, he was just always political. One of his “clients,” was Greece, and if we wanted to get our bill through, we had to put $25 million into Greece, regardless of anything, and that was it. It was just, unfortunately, a

man who was more interested in picking up things on trips and getting counterpart, and as long as he got what he wanted, he was very lush on the amount of money he spent on his clothing, shirts, ties, and cuff links.

Q: Oh, I remember cuff links, yes.

SACCIO: Let me stop here.

Q: Len, I'd like to ask you about your relationships with Douglas Dillon and whether or not your relationships with the State Department were modified or changed in any way after he took over as the coordinator.

SACCIO: No, no. I don't think there was any change. He was a lot more sophisticated about the operation, being a banker himself and former ambassador to France. He knew what we were doing, and there was no real question as far as being contrary to our objectives.

I know he was very deeply involved when we had the problem with the Suez...

Q: The Suez Canal?

SACCIO: No, no, with the famous dam.

Q: Oh, the Aswan Dam.

SACCIO: The Aswan Dam. Because that's when he, I think, really had a real tough time, because there was no question, you see, we people in the aid program had nothing to do with that sort of thing. And we may have been critical because we had some very direct interest in the dam itself, and to have it go over to the Russians—not that we were happy about building the dam, because there was certainly a lot of technical opinion that it wasn't a wise thing to do in view of the fact of the whole agriculture was based on the flooding of the Nile in a regular season. But that was nothing that we would have a voice in, and

properly so. There was no point in our talking about that. This was really a fight between the Russians and ourselves.

Q: Essentially it was a political matter.

SACCIO: Yes. And whether the dam was to be built or not, it was really secondary to the issue we had with Egypt.

No, the relationship with Dillon was far superior than it was with the assistant secretaries, because he had a much broader view of things and he understood what we were doing. And he wasn't being contrary or telling us we had to do it. He would just nod, and that was it.

Q: He'd once been a mission director himself under the Marshall Plan.

SACCIO: He had?

Q: France.

SACCIO: Well, he was made ambassador eventually. In those days, the mission director, of course, was from a separate agency; it was not from the State Department.

Q: There were other people in Dillon's office, I believe. There was Jack Bell, Graham Martin, other people like that.

SACCIO: There was another fellow—let me see—who worked with us. We have very good relationships. Phil Claxton, a wonderful guy, and his—I'm trying to remember the name of the fellow he worked with. We worked very closely. We really had no problems, and we were, on both sides, sophisticated enough to say that you've never resolve this problem. It's to whether you're doing it for aid or you're doing it for State.

Q: Correct.

SACCIO: And one of the jokes that we had at one point were preparing the Presentation. One of them said, “Let's refer in our basic statement to Jefferson.”

I said, “You know those guys up there. They don't know anything about Jefferson.” And we all started laughing. [Laughter]

One important thing happened with the Mossadegh trouble. He was in Iran when the Shah was kicked out. The present revisionist history in effect said we did the wrong thing not letting him in, because what could he have done? We could have contained him just as well. Putting the Shah in, you know, you did the wrong thing, because what you did was make a guy a multimillionaire.

But that's revisionist. The point was that Dulles asked the Congress immediately for $250 million as an emergency fund, and they passed it like that. It was true, you see. They would go in there, counteract Mossadegh and put the Shah back in.

But that was the issue. And the interesting part of it was that Mr. Dulles called in a bunch of advisors of his, including “Wild Bill” Donovan, who was always available for that sort of thing. We sat down around the table. I was seated next to Mr. Dulles, and Mr. Dulles was going to explain to them what he wanted them to do in connection with the threat in the Middle East.

Incidentally, one of the questions I had when I first got on the program was that I learned that Iran was making $200 million a year as royalties on the oil, and my question was, “Why the hell are we giving them aid?”

Q: When they're making that much money.

SACCIO: That's right. $200 million dollars was a heck of a lot of money then. It's probably equivalent to $4 billion dollars today.

Q: Correct.

SACCIO: “Wild Bill” Donovan looked up at Dulles and said, “Here we are. We're your trained seals. What do you want us to say?” [Laughter] Of course, he had a heck of a lot more clout than Dulles did from the point of view of long experience and as the originator of the OSS. The famous guy in the trenches in France.

Q: True, in World War I. Yes, a famous man.

SACCIO: On Armistice Day, he rose—I read his biography—and said, “We are now a world power.” That was the attitude.

Q: Well, there must have been someone at that meeting from the Central Intelligence Agency. Or do you recall?

SACCIO: No, but the people he brought in were from outside the government.

Q: Oh, these were outsiders?

SACCIO: Yes, a commission. A quick operation in which they backed Dulles' request for $250 million. Three or four years after, we were revising the statute of the aid law, and one of the juniors sitting around with Doug Dillon running the show as to what we should put in and take out, and one of the fellows said, “We better take out this little $250 million authorization that we got some years ago. We don't need it anymore.”

I looked at him and said, “Don't touch it. Do you want to create a little problem up on the Hill? They're going to ask you why you did and who did it. Leave it there. They won't even notice it.” The whole point was I was concerned that anytime you take anything out, you're bound to have a hearing on the subject. Why did you do it, and was it successful?

Nothing was said after I made this remark. And the next day I got a call from this young fellow, or somebody who was at the meeting, and he said, “Do you really mean that we should keep it?”

I said, “Damn right you keep it. Don't touch it. Let it go through.”

He said, “Mr. Dillon asked me to call you.”

We're not going to have much time for more anecdotes. But the Presentation was a rough job, and 80 percent of the time was devoted to just responding to Congress, and it was very difficult. Now, you can't downgrade it, because it's an essential thing. You have to do it, but neither side, the Congress or the executive, are free to really consider the basic problems. You get just an overall idea that if you send a couple of people, like our farmers down there to teach them how to plow, and give them some food and give them some public security, send a police team down there, and give them some money to build roads, and that's it.

And this, of course, is hindsight on my part, except that I did ask questions about what happens when you stop feeding them. But none of that really penetrated, except that in the technical assistance program, we did things which were really very basic and they were worthwhile. And the other part of the technical assistance participant program—

Q: The participant program, which is the training program here in the United States.

SACCIO: People come in and they're required to go back, and they could not return for at least two years. Indicating how important it is, was the experience I had in India, where I was the economic minister and the AID director in India.

A little old lady, gray haired, came in the office and said, “I want to see you and talk to you about what I have in mind. I want to have a conference with all the past participants that are in the area around Calcutta.”

I said, “What?”

She said, “Yes. This is what I do for the AID program. I go around and invite all the past participants, and we have a session and we talk and so forth to see how things are going.”

I said, “Calcutta? Do you know what that is? That's the Bengali Reds. I mean, that's run by the communists there. Won't you be afraid?”

“Oh, no,” she said, “I do this, you know, regular.”

I said, “Well, I'm really concerned about you going there.”

She said, “I've been to Calcutta, and I know what it is and I've studied it. The Ford Foundation is doing a terrific job there making studies and studies and studies.”

So I finally said, “Okay, if you feel it's all right.” I mean, she had—I forget how many—they were in the hundreds. They came to the conference and they had an absolutely wonderful time, because they really appreciated what had been done. And these were people who had stayed in the United States long enough to get a feel of what it was like.

Q: That's wonderful. That's really one of the best things we did, isn't it?

SACCIO: Yes. And the funny part of it is, you know, some of these participants who come back, they can speak English and so forth, and they're hired by the oil companies to run the gas stations because they're so good.

Well, you're going to have things like that. The other thing we did in Colombia was create a high school system, which did not exist. You had just the lyc#e type of secondary education, which was open only to the well-to-do, who were students going on to college. In the combination of the British and ourselves, we built up a construction business to build the schools. They built schools—I forget the number, but they were in various parts of Colombia—and installed a comprehensive curriculum so that everybody could go. For

the first two years, everybody had the same course, and in the next three years, they branched off into whatever they wanted to do—go to college, learn a trade, or what have you.

Q: Why don't we get back to when you were deputy director of AID, and then we'll go into Colombia later as we go along.

SACCIO: Very good. The funny part of becoming deputy director—I forget who was leaving, and I think Jimmy Smith came in as the director.

Q: Well, director or administrator. I forget what the title was in those days. He didn't stay very long, Smith, did he?

SACCIO: No. He really wanted to be the assistant secretary of the Navy, and when he didn't get that, he quit the AID program.

Well, there was nothing special about being deputy, except Ed Riddleberger didn't do anything. He just sat there and was furious at the fact that they appointed him to become the director or the administrator.

Q: He didn't really want the job?

SACCIO: He didn't want the job, and then he had a heart attack and he was out. We never got anything from any of these administrators beyond administering, that's all. They brought in a fellow by the name of Fitzgerald, who got his job, I think it was essentially Grady's job.

Q: Yes, William Fitzgerald.

SACCIO: William Fitzgerald, who got his job by, you know, making a $1,000 contribution. He came in and he loved to go out on inspection trips.

Q: I had to deal with him in Mexico.

SACCIO: He would concoct a little junket of chartering an airplane to go to the box fight in New York. And he'd invite various congressmen and say, “We're all going up and have a great time and see the fights.” This got so bad, he would wander all around the Hill talking to people. He had some connection with French bankers of one kind or another. His wife was French, a charming lady who couldn't drink anything. I mean, she'd touch whiskey, and for some reason, she'd get woozy right away. She was a very conservative French, a lovely person.

He became so much of an annoyance that Dillon said to his staff, “I think we have to get rid of Fitzgerald.” So the question came as to who's going to do it. Dillon said, “Len will do it.” [Laughter] I was informed that I supposed to fire Fitzgerald. Well, I was furious, because they never consulted me when he was hired.

Q: But then you got the job of firing him.

SACCIO: Well, I didn't let him get away with too much. He was an awfully nice guy, but he was a floating...

Q: Well, as I recall, towards the end there, in '59 and '60, there was a pretty good team there. It was you—you were really running the agency—and you had Jim Grant, Johnny Murphy, and Dr. Dennis Fitzgerald. And this team really ran the agency, and you brought some stability to the agency that it hadn't had.

SACCIO: Well, thank you. Jim Grant was absolutely wonderful. Murphy was terrific, and because of his long service in the AID program, was highly respected on the Hill. As a matter of fact, when the time came that we had to have an inspector general, the Hill said, “We'll take Johnny Murphy.” No questions asked.

Jack Ohly was the constant philosopher and prober and really a great steady influence on everything we did. Jim Grant was a go-getter if there ever was one, because he thought out things and he and his staff—I don't know what they call them, the program director or the policy.

Q: I believe so. Policy and program, something like that.

SACCIO: As an example of his foresight, when we took this trip that I told you about that Passman criticized, he had in his pocket a plan which he worked out with me in Washington of accelerating the grants to Taiwan and telling them that, if they did certain things, instead of giving them an annual cut, he would combine five years of grant money committed to Taiwan, if they carried out their plan of land reform and family planning and all that sort of thing.

And this is just wonderful. We stopped there, and we were wined and dined. And we didn't see the president, [Chaing] Kai-shek, but we saw the vice president, and we were going to explain it to him. And I explained it to the vice president. The vice president had his interpreter there, and he would nod his head, saying, “Yes, yes.” Jim stopped it in midair. He said, “Len, this interpreter is not interpreting correctly. He's not getting the story over.”

Q: Jim spoke Chinese?

SACCIO: Yes, so he pitched in. No, it was a darn- good team. The only thing I regretted was that we couldn't continue on that basis, because Jimmy Smith really did nothing; Riddleberger did nothing. Labouisse came after I left; Kennedy put him in. He couldn't stand it any longer, and then they had this last one, Fowler Hamilton.

Q: Then you went to Brazil.

SACCIO: Right. Now, to be frank about my going to Brazil, was that I turned to Dillon, after Riddleberger came back, and I said, “I can't stand this.” I mean, he's no great operation. I

thought, you know, that he would resign for illness, but he wasn't going to resign for illness because he still wanted to be in the Foreign Service. I was no great name in Washington. I mean, I was a guy from Connecticut as far as the politicians were concerned. That's what they wanted, somebody of that caliber, reputation, and so forth, because if you put somebody in there, people say, “Okay, we trust that man, and we know him.” I was a young guy from Connecticut, that's all, who had nothing more than the local political connections, which were perfectly all right and useful.

So I said to Dillon—we were alone, clearing up some business. The next thing, he talked to Loy Henderson, and they decided that the best thing to do was to send me overseas and put me in the Foreign Service Reserve. Obviously, they wouldn't make me an ambassador. I didn't have the kind of experience, and they knew if they did, I'd be fired the next day anybody else came into the White House.

Q: This was getting towards the end of Eisenhower's Administration?

SACCIO: Yes. So they said, “We'll send you to Brazil and make you the economic minister and the AID director combined.” And I think Cottam, who was my predecessor there, had the same standing, but he was in the regular Foreign Service.

Q: Howard Cottam.

SACCIO: So I went down there, and this was in September.

Q: This is September of . . .

SACCIO: '60. And this, of course, was an entirely different operation, as far as my experience was concerned. Except as an administrator, I presumably had the help of everybody else to run a program.

On our way down, we were on board, I guess it was, the Brazil or the S.S. Argentina. We took a ship down, and we had to get an exemption for that, because you flew down to your

post and you didn't just take a cruise. And everybody knew that, but they said, “You've been working so hard, absolutely.” But at any rate, we cruised down, and on the way down, the election took hold in Brazil, and J#nio Quadros was elected. There were great cheers from the Brazilians on board.

Now, on the AID program, before Quadros was elected, Dillon had been working very hard to create some understanding with Latin America. He understood the problems, and he had been working with Kubitschek in Brazil, who had proposed what he called “Operation Pan-Americana.”

Q: Kubitschek did?

SACCIO: Yes. And Dillon was working with him on that basis. As a matter of fact, even before that had been established, because of our special relationship with Brazil—I'll explain why it was a special relationship—that created a joint U.S.-Brazil Economic Committee to work with Brazil on its economic problems. Now, this wasn't doing very much, I assume, for the simple reason that Kubitschek made this proposal, and he talked, if I remember correctly, of a $30 billion operation. Behind that was the famous, highly respected Ra#l Prebisch.

Q: Ra#l Prebisch from Argentina.

SACCIO: And he had proposed, you know, the only way to help Latin America was to put in resources. And they started this thing, and it was in stream when Kennedy came in, and Kennedy converted that into the Alliance for Progress.

Q: But there had been a lot of new emphasis on Latin America in the latter days under the Eisenhower Administration.

SACCIO: Definitely.

Q: In fact, the Inter-American Development Bank, I think, was created.

SACCIO: Yes. I should go back and mention one thing that Stassen did, was create what came to be the IMF. Aside from the World Bank, he put $100 million as capital for a bank that would loan on business, loan money out.

Q: To business?

SACCIO: To business, for the less-developed countries.

Q: Oh, is that OPEC?

SACCIO: No. I think it was the predecessor of the IMF.

Q: Predecessor of the International Monetary Fund?

SACCIO: Right. That's something when this came about, of course, the idea of the Latin American bank was broached and it was created while I was still in Washington. The treasury man was the United States representative there.

Q: Tull, was his name.

SACCIO: Yes, that's right. But at any rate, when I got to Brazil, I found a massive mission there. For instance, the device used was the—oh, gosh.

Q: Servicio?

SACCIO: Servicio. What it consisted of was representatives of the United States and representatives of the country working together on technical assistance, and you would have a servicio for agriculture, one for education, and one for public safety, although I don't know whether they called it that.

Q: One for health.

SACCIO: Health and education and so forth. And these were all working on the basis of trying to put in technology into a developmental mold for the country. The work at the AID Mission was tremendous, as far as paperwork was concerned, on and on, preparing for everything to be sent up to Washington for the presentation. And you had a whole staff there. Bob Herder was there. He was the deputy, and he had been in public administration in Iran and he was the mainstay of the operation when he was Cottam's deputy and he became my deputy.

But we couldn't find just how to do this thing. It was a slow process. I had to recognize that right away. And the situation there as an agricultural country, it wasn't able to produce its own food. Its cattle was out on the range for years before it could ever be brought in to be packed. The agriculture servicio bothered me more than anything else. I think we had about 15 Americans on that, who had their offices over at the Department of Agriculture in town, and what they were doing was going out and seeing what people needed in the way of equipment, things of this kind.

I talked to the Brazilian head of the servicio and found that he had absolutely no authority in the Department of Agriculture—it was entirely different—and the Department of Agriculture was not producing anything but bureaucrats who got jobs in the Department of Agriculture. And I beefed like all heck to Dr. Fitz over the phone saying, “Look, these guys are not . . .” But any rate, Cabot, who was the ambassador...

Q: Oh, John Cabot.

SACCIO: John Moore Cabot, yes.

I said, “Look, what are we doing here?” Bob Herder said “calma.”

They sent a former congressman down, who lost his job as a congressman, to take care of some social program. I've forgotten his name, but I guess he was half Italian, so he thought we were buddies or something like that. He was one pain in the neck, and I would get so mad at him, I would shout him out of the office. And my secretary would come in afterward and say, “Look, you know, they hear you out there.”

I said, “Let them hear me.” He was just imposed on us, but he became so fascinated about it, he started his own participant program. But before that, he was just looking for the job. We got people time and again coming down—Stan Grand and all these people—looking for my job. It was a good job in that famous 3,000 job pamphlet that's always issued for new administrations.

Q: Oh, yes. Stan Grand came down there before the election, or maybe during the election?

SACCIO: I forget. But he was down with a team regularly, and we became friends, of course. He and I got along fine, but it was obvious what he was doing. Dillon came down for the new administration. He was now Secretary of the Treasury and Kennedy's man and he came down at the most important time. There was an Inter-American Bank conference, and they had a whole outlay there. J#nio Quadros, of course, was president.

We had a very elaborate procedure of committing PL 480 currency. You know, we gave the food, but they had to put up their local currency for it. And it would be used, but it had to be used very carefully. Project-wise, you had to justify it. It was no joke. It wasn't just shoved in the bank. And you had to get all kinds of permission to do it, because, otherwise, it would be wasted.

So right in the midst of this conference, Doug called me up and he said, “Len, we need so much in reserves.”

And I said, “We got to go through all this processes.”

He said, “Len, we need it. Would you kindly commit it?”

I said, “Yes.”

Q: Now, he was down in Brazil at the time?

SACCIO: Yes.

Q: In this conference?

SACCIO: That's right.

Q: And he needed that much.

SACCIO: Yes, it's part of the deal. “Here I come. (U.S.) I'm going to work with you.” (Brazil)

Well, this seemed to be the practice for practically everybody. In the first days of the Kennedy Administration, we had people come in all over the place. But a good example of how it operated was—well, Tad Szulc had written these devastating articles of starvation and the drought in the Northeast.

Q: Tad Szulc, he was the New York Times correspondent.

SACCIO: That's right. Everything was going. And Stevenson came down, and we had a whole session with J#nio Quadros. In his team was Lincoln Gordon, the obvious successor to Cabot. He wasn't yet made, but everybody knew that. And Dick Goodwin, who took the trouble of staying behind after the delegation left the president's office up in Bras#lia, to tell the president that Cabot was going to go out and that Mr. Gordon was going to be the ambassador.

No, no. It was Goodwin who told the president that it was Gordon who was going to be the ambassador, and he downgraded Cabot like that.

Q: Cabot had no authority after that.

SACCIO: Yes. The example I was thinking about is Senator Young. I don't remember his first name and what state he came from, but he was in charge of some committee. And with this brouhaha about the northeast, he was going to come down and look at it.

Q: Northeast Brazil?

SACCIO: Northeast Brazil. Because of all these people coming in and out, we, in the embassy, decided—the ambassador, of course—that we would oppose any more visits to the northeast. He said, “All we are doing is creating more problems, because what else can you do?”

So I happened to be on consultation up to Washington, and so was Lincoln Gordon, and Senator Young came to the State Department and wanted to talk to Lincoln Gordon before they went down.

Q: Was Gordon then ambassador?

SACCIO: Oh, yes. He was ambassador. And he said that he was at the White House and could not be with him because he was tied up, but Len Saccio was around to talk to him. So I got invited into this room with three Air Force generals and God knows what. They were going to fly them down, a whole Air Force planeload of three or four senators. And Senator Young turned to me and said, “We want to go down, and we're flying directly to Recife and want to see the place. We understand that we got a message from your deputy, the Charg# Bond—Niles Bond—that there was a problem, that we should consult with the ambassador up here.”

I said, “I was not surprised that Bond had responded that way, because that was the agreed position of the embassy.”

And he turned to me and he said, “Why can't we go down there?”

I said, “Well, the embassy feels that it's counterproductive. You're creating all kinds of situations there.” They have a feeling that, during the war, we were able to do anything, you see. We built a whole town. We built roads and so forth and all that and it was the point where we sent the planes across to Africa, and we'd do anything. Well, what the hell are we waiting for up in the northeast?”

Q: Why couldn't we do the same thing?

SACCIO: Why can't we do the same thing.

Q: Develop the Northeast.

SACCIO: We had already committed $150 million down there. I said, “You want to get briefed? The place to get briefed is in Rio, where the office of the Northwest agency is. Where Mr. Furtado, who is the head of it, will brief you. And to fly this big plane down there,” I said, “this is the wrong thing. You come down to Rio and you get briefed, and then we'll fly you up in a small chartered plane so you can go see it for yourself.”

So we all got back to Brazil, and they show up, and Gordon had a big briefing session in the ballroom of the embassy. And when it was all over, the senator got up and they said, “Mr. Ambassador, have you any objection of our going up to the northeast?” The ambassador said, “No.”

Q: So they held you responsible for their not going to the north?

SACCIO: Before you know it, we had a whole team come down from Washington to reinvestigate under the charge that I was running the embassy. And poor Linc Gordon tried to get out of it. He said, “No, no. Len is a...

The Senator Young example is only an example of just how we ran the AID program, because they all came down. For instance, the first time the group came down, headed by Adlai Stevenson, and they went down and talked to J#nio. And A.A. Berle, the old assistant secretary, came down, and at a conference in Itamaraty, which is the foreign office palace in Rio, he got up and made a speech in Portuguese. He had been ambassador to Brazil for a long time and he had learned the language. And he ended off by saying, “To give you a good start, we are immediately appropriating $100 million to the program.” There was dead silence. Niles Bond was in that conference and I was there. As we walked out, he said, “What a lead balloon.” [Laughter]

Well, at one point Fitz said, “What do we do now?”

I said, “What you ought to do is invite Furtado, who is the head of the northeast agency, up to Washington to see the President, because, after all, it's the Alliance for Progress.”

He said, “Wait a minute, Len. That sounds good.” So he called up, and he said, “Okay, set it up and you come up.”

He said, “Okay.” And we went up there. It was beautiful. We stayed at the same hotel. I had breakfast with Furtado, and we went to the White House. And before we got into talking to Kennedy, Dick Goodwin looked at the briefing paper on Celso Furtado, and there was a line there, “he has communist . . .” So he took a pencil, and he crossed off all this business about something like communist leanings.

Obviously, he was perfectly right in doing it in the sense that Celso Furtado was no more a Marxist than—he was a Marxist only because he read about it. He was not a capitalist, put it that way. He believed in government planning.

We finally walked in, and the President was his usual gracious self. And Furtado said, “There's a province up in the middle north which we can really develop,” whether it was Piaui or another one. It's inward, way inward, from Recife.

And he turned around to me and he said, “How big is Piaui?”

Boy, I caught it. I wasn't going to be dishonest. “It's very big,” I said. I should have said it was bigger than Texas— that would have been historic—but I didn't.

At any rate, we smiled and we had a nice session, and they sat down and planned it all. And they decided to send a separate mission director for that area, and I can't remember the guy's name to save my life, but he was of Italian extraction or Italian, but an American citizen, and he was related to Gardner, who became...

Q: Bruno Luzzato.

SACCIO: That's right.

Q: He was the father-in-law of Richard Gardner.

SACCIO: That was fine. That was the end of my direct authority up there. We had some very good guys in education who I got to know when we traveled up there in various parts of northern Brazil, and they were really hard workers and they were creating a very good education program. Well, Luzzato came along, and, before long, one man that we knew, a Brazilian top engineer who was in charge of one of the big dams, the building of a whole series of dams in a major river to create a great source of power, and he said to me, “Do you know this fellow, Luzzato?”

I said, “No. The State Department thinks he . . .”

“What a character!”

I said, “What do you mean?”

“He's a big talker.” I think he used some Brazilian words that would mean about the same what we would say.

I said, “Oh, my gosh.”

He said, “You got to be careful of that guy.”

So he established himself up in Recife, and immediately he pushed everybody aside and worked closely with Furtado, and they created a big plan of how to develop this entire area in the northern part of Brazil. I said to Furtado, “Now, look. Before you go up there, find out something about it.” This was not my idea, because one of our AID men said, “You know, that's a tropical jungle. They better find out something before they start building cities and roads and all that.”

This is the attitude, you see. They had a diagram, actually, with a center and housing all over, hospitals, roads, and so forth, and pure, you know, Thomas Moore utopia. It was all laid out. But Furtado said, “Well, I've already committed myself. I made an announcement on it, so we're going to do it.”

I said, “Well, you make the announcement, but have somebody go and take a look there. I'll lend you a couple of our guys who know Brazil and know something about the place.” And surreptitiously, we included a man from United Fruit, but we wouldn't tell anybody he was from United Fruit because that would damn the whole project.

He finally consented that they go up, but he would not withdraw the program. So they went up, and they came back. “The place is just absolutely dismal, because it's got all kinds of

refugees up there who went out there on their own. And as far as getting any wood out of it, it's all teak and it sinks in the river. You can't even get it out."

So what could you do? He and Luzzato sat down and signed five agreements, selected money for health, education. I said to him, "What are you doing with these agreements? I mean, they're just agreements; they're paper."

"Well, this is what we got to do."

I said, "This is not the way. You can't just build. You have to start off with training people and getting yourself people who'll go in business and so forth. You're just feeding them."

Well, I couldn't do very much. I explained this all to Lincoln Gordon, who, incidentally, he and I became great friends. When he first came down, he was cross-examining me, to see if I was a fit person for the job, but, you know, he did it politely. He first met me at a conference of mission directors and ambassadors in Lima, Peru, and I went up there representing Brazil. He, of course, was on the way to Brazil to take on the job, he stopped off there first. And that's where I made my remark to the famous Murrow, who was head of USIS.

Q: Edward R. Murrow.

SACCIO: Edward R. Murrow. And they sat the mission directors with the ambassadors, which was a big mistake, because every time the board up there, with Murrow and assistant secretaries and so forth, said something, a mission director would say, "Hey."

Q: The mission director would speak up, is that correct?

SACCIO: Well, it happened when I was bold enough to make the remark, "You know, the Pope had issued an encyclical on the subject of help and development. Why didn't we

respond to it?" I forget what it was. It had to do with helping the less- developed countries. And I said, "Our USIS didn't do a darn thing about.

There was shock all over the place, you see. Finally, Mr. Murrow addressed me, and he said, "Our President doesn't want to get into the position of seeming to deal with the Vatican."

Q: Oh, I see.

SACCIO: Well, Lincoln Gordon came up to me and said, "Why did you do that?"

I said, "You know, our USIS fellow thinks there's communists under every bench around this place." His name is Allejandro. He was a typical, you know, public relations man, and that was the pitch—there are communists all over the place.

Well, we really didn't get very far in doing anything, except we had a very good system in Sao Paulo, a business school. We did a great deal in public safety. There's no question about that. The whole thing was, really, transferring wealth into the area in one form or another—food, etcetera. They had an agriculture which could not even support a poultry industry. We said, "You know, it's easy. You know, a little farm." "But where are we going to get the seed?" They would have to import the seed!

Q: To feed the poultry?

SACCIO: Yes. And that's a big business. I mean, they had no Purina, or whatever we call it, where you could go and buy the bags full.

Q: May I ask you at this point, you were the minister consular for economic affairs, as well as the AID mission director, correct?

SACCIO: Yes. Really, at that time, they called me minister. They changed that later.

Q: So you also were responsible for the economic reporting of the embassy?

SACCIO: Right. That situation was pretty depressing, anyway. There was a man from the treasury there, and he was the real man, Herb May. We had a commercial attach# and we had an economic man from the State Department. Herb May maintained the relationship. Our commercial man was afraid to take American businessmen to the commercial office of the Brazilians, because “we don't do that sort of thing.”

The other fellow would clip the newspapers, and because of his wife's condition, would take all Friday off to go to the commissary to stock up their apartment with food. I mean, there was nothing there that amounted to anything except Herb May, who was a brilliant economist and knew his stuff.

Q: Who was the treasury representative?

SACCIO: Yes, that's right. And he'd draw up a plan, like everybody else, which would require $2 billion, and “this is the way you do it.” It served its purpose without any question. The special relationship with Brazil goes back to World War II. They fought with us in Italy. It's true we supplied them, we trained them, we gave them everything to do it in, but this was very close and we wanted to continue it.

And it was a democracy. We were afraid communists would take over the office when Goulart came in, and they fired him and the military came in. Quadros quit because of his weird nature. He quit on the assumption that they would immediately call him back and say “Come back,” the way he did in the state of Sao Paulo when he got mad and quit, and then they put him right back in.

Q: So he thought he could do that as president?

SACCIO: Yes. It didn't work. It was a sad case, he had close relations with the spirits. The cartoon was of a table under which he was with his hand up, getting a whiskey bottle.

There was a definite prejudice against outsiders, foreigners. They had a pamphlet out which said, “Every time you press a button in your house, you are paying five cents to a foreign utility company.” You press a button, you're paying for oil. You press a button, you're paying for this. And they used to call their very competent and highly praised ambassador, Roberto Campus—Bobby Fields—English for Roberto Campus.

We were not making any great progress except to placate them in some fashion or another. As an agricultural country, it was primitive. They had coffee, and that was growing wild. And they were spreading it all over the southern part of Brazil and they were making fortunes on it, but nothing as far as the development of agriculture, as such.

The Kennedy Administration came in with land reform, and it never got started. The areas where they had plantations working were not small, little plots. The Germans down in southern Brazil knew how to run their show. They didn't need land reform or anything like that. Well, getting back to Washington.

Q: So you have left Brazil, and you've come back to Washington?

SACCIO: Yes. I went to see Dillon and I said, “This is what happened.” He talked to George Ball, and they sent me to Salvador.

Q: So you became the DCM in Salvador. And the ambassador was who?

SACCIO: Murat Williams.

Q: Murat Williams, a career Foreign Service officer.

SACCIO: He had had a very difficult situation there for two years. We went down in 1963.

Q: It says '62.

SACCIO: He was there for two years with the declaration of the Alliance for Progress, which created an absolute panic situation in Salvador. The so-called 14 families—oh, I see what the trouble is here. The appointment date is '62.

Q: But you went in '63?

SACCIO: In January of '63. I remember we spent New Year's Day en route, and we drove down.

Q: Drove the whole way?

SACCIO: Yes. We were warned about getting through the gap there, but I wasn't going to fly. Not that I was afraid of flying, but we wanted to see the country and we visited my daughter's husband's family living in Arkansas on the way down— her husband's family, because she was then living in Washington; we left her. We drove all the way down—Mexico and so forth—and the famous gap, which is a very dangerous thing to drive, because it's just a canyon going right through, with little crosses on the roadside where the deceased workmen were buried.

We got down to Guatemala and stayed with Jack Bell, who was the ambassador there, and went on to Murat Williams and worked for him. But he had gone through the whole period of the initiation of the Alliance for Progress.

Q: Murat Williams.

SACCIO: Which was highly advertised as a land reform operation, and, you know, getting down to the level of distributing the wealth evenly. And the 14 families who owned the coffee plantations and the rice and whatever else they grew, they were afraid that the communists would take over. There was no joke about this.

Q: To them, this meant communism would take over?

SACCIO: Oh, no question about it. And, of course, there was an element of leftists, without any question, whether they were Marxists or what have you. The university was just full of it. When I got there, things had calmed down considerably as far as I could see, and we were working with a new president, Julio Rivera. He was a big stocky guy, about six foot, and of Indian extraction. Obviously, there was white blood in him, a mestizo. But he was enormous and big and the smartest, nicest guy you could work with, and he was absolutely in love with Jack Kennedy.

Jack came down and met all the Central American presidents in Costa Rica. He invited them all there and they talked, and they came out with stars in their eyes. And we worked with Rivera, and the program there was the usual program. Herder was the mission director. He had gone to Salvador.

Q: Bob Herder, the man who had been with you in Brazil.

SACCIO: It was something. We just drove down arriving in the evening. We drove around looking for a place to get information. We drove up to a house, knocked on the door, and there was Bob Herder and his wife. They were expecting us, but we hadn't known how to get there.

Q: And you just happened to...

SACCIO: Hit the place just luckily. But at any rate, the program was a good one, a decent one, and we were making a heck of a lot of progress in developing industry. At that point, they were working on the plan of a Central American common market, not so much market, but in which the five nations in Central America would work together and allocate various industries or functions or services, one or the other, so they would be working as an economic group, just like the Andean operation in South America, which would have connected Venezuela, Colombia, Ecuador, Chile, and Peru. The whole idea of trying to have it just like Western Europe.

There were no great disturbances. There was constant, at least public, arguments with the leftist students, but they were kept in rein. There was no terrorist activities on either side. They were allowed to speak, and they did. And the high point of this was that the candidate for president to follow Rivera had a debate with the top man of the student organization, and he beat the pants off him on the radio. He was able to actually show how silly this guy was and all the things that he was saying about the economy and what he had done. The justification was that it was a poor country. There's no question about that. This is the whole situation.

Q: How did Rivera relate to the 14 families?

SACCIO: He was not related to them.

Q: No, I didn't mean it in related, but how did he get along with them. What was his relationship with the 14 families?

SACCIO: Well, the relationship was the law and order factor that he maintained. It wasn't a terrorist or CIA type. It was that there would be law and order, and nobody was going to take any land from anybody. They resolved that fairly quickly. I don't think they ever really got to a point for the simple reason that the nature of the land would not lend itself to that sort of thing. It was rocky and it gone through various ups and downs because it was a one-crop operation.

In the middle of the 19th century, the one crop was indigo, and they were developing it for the dye that the Prussians needed for their uniforms. Now, when the Prussians stopped using and when they invented chemical dyes, they didn't have that resource anymore, and the top people in Salvador were the ones who introduced coffee and made a go of it.

As a people, the Salvadorans are hard workers. They're noted for being the hardest workers and the best workers in the building of the Panama Canal. Many of them went down. And, you know, this business of Asians going to Kuwait and the immigration isn't

new, because that went on, as you know, in history all the time. Where the jobs are, people go. Whether you have immigration laws or not, they get there.

But it was sad, because you'd go out to these villages and they weren't starving, but they certainly weren't . . . One of the great things that Churchill and I experienced—

Q: Churchill, that's Mrs. Saccio.

SACCIO: We went to a little village where there was a Peace Corps girl 65 years of age. I don't know what her background was, if it was a teacher or something...and she had a little section of a house—very simple, a cot and a water well—and we said, “What do you do here?”

“Well, I work with the town. We're trying to get things going.”

I said, “Well, what are we doing?”

“Well, for one thing, we got them a water supply.”

“A water supply? You mean they didn't have a water supply?”

“Well, there was a little trickle of a stream coming out of a rock on the main road into this town, and they would go and fill their pails. But,” she said, “that's ridiculous, carrying all this, and when water isn't there, you just don't have any water.”

So she got the engineers out of a Salvadoran ministry, told them to come up with a design to build a little cubicle dam right there. On one side, showers for men; on the other side, showers for ladies, where to get your water and so forth, and this is kind of problem. It so demonstrated how difficult it is when you don't have—I've been reading the history of the American Indian, and this is the problem. The technology is so little and their natural resources are so minimal, that you really . . . I mean, in Asia, you'll build bridges and you'll

have rice and so forth, but a place like Salvador, the biggest project the Salvadorans said he wanted to put into effect was a tree farm up in the northeastern part of the town.

Q: Who, the president?

SACCIO: No, no. This was a Salvadoran technician. He said, “This is where they used to grow their indigo, and it's no longer possible. We'll have a tree farm.”

I said, “Do you understand what that means? How long? I mean, I don't know anything to speak of, but this is a major long- term operation.”

Now, in this same town where we saw this Peace Corps lady, we walked around the town and Churchill mounted a donkey. But we went out in the country on donkeyback, and we did this on the suggestion of our Peace Corps lady. “You think this place is poor, just go up there.”

Q: And you, as the deputy chief of mission, got on a donkey to go up there? [Laughter] That's good.

SACCIO: The crazy thing I did was when there was a fire with the circus down in Miteroi, across the bay from Rio, we sent down a lot of medicines, and I was stupid enough to get into the helicopter to fly it over. My State Department guys thought I was . . . “Well,” I said, “they need this medicine? Of course, they need it. But how do you advertise that we're giving it to them? We'll fly and get our pictures in the papers.”

Salvador was really great, and it was being managed well, considering that the army was in control, the country police were in control. But there was no fighting, no bombs, no terrorists, nothing like that. And this candidate that I told you beat the student leader in the debate, he became president and carried on, but what happened after that, I don't know. I mean, really that was the golden age of Salvador, those two and a half years we were there. It was really very good, and it was a decent program, well run.

Unfortunately, that common market idea, well, the whole roadway from the airport to the center of the city was just crowded with people who would come in with little plants, cigarette makers, and things of this kind, which was fine. But before you knew it, they had two refineries in Central America, where they only needed one. It's very difficult.

And these five countries are so different from the other. Guatemala is 60 percent Indian—real Indian, not just mestizos. Costa Rica is European, very little mixture.

Q: Of course, in Rio, you'd been minister and you had responsibility for the economic. Now in Salvador, you're DCM, so you've got responsibility—or did you—for the political and economic, as well as for the whole operation.

SACCIO: Oh, yes. I was just the deputy to the ambassador, that's all. I ran it for a good number of times because he was away.

Q: And you were the charg# when he was gone.

SACCIO: Yes.

Q: How did you enjoy that, being the charg#? That was your first.

SACCIO: Oh, well, fine. We had a good political officer. We had an excellent CIA man, who was a human being, who understood the problems and kept me advised and contacts with the old-time politicians, not the army, but the old-time—Osorio and people of that kind.

You know, the W.R. Grace Company became ITT. It was just absolutely disgraceful in the way they kept the port on the Pacific. The pier was rusty and they were still using the tide as a source of power, and the piers were rotted. And when I saw the representative of the Grace Company, I told him. I said, “Instead of getting out—(which they were doing. They were sick and tired of being in Latin America; they were pulling everything out)—why don't you do something over there that means something?”

Q: No way.

SACCIO: No. I don't know how long they had been in Latin America—years and years. It was an old fruit transport company. They were mostly fruit traders and freighters.

Q: Well now, how did you find the, they say, career Foreign Service officers? Did they accept you as DCM? Did you find any problems dealing with them?

SACCIO: Oh, there was a problem. Do you remember Roy Kohler?

Q: Oh, yes.

SACCIO: I forget on what occasion it was, but I was up in Washington, and they were having a get-together of the Foreign Service officers. And I walked in there and I put out my hand to say hello to Roy, because I had worked with him as the representative of the AID program in the Secretary's staff meeting every week and Roy was a chief political officer. He was top man, I guess, for Europe. He snubbed me.

Q: Because you weren't an FSO?

SACCIO: I was already, but he was taking it out on me. The career officers' last defense against political appointees is the assignment of DCMs.

Q: Oh, by that time you had become an FSO?

SACCIO: Oh, yes. I said, “What the hell is the matter with this guy?”

Q: Then after Salvador, you went to Argentina?

SACCIO: Yes. Well, in Salvador, when Murat Williams left, because he was anxious to become the ambassador to Israel. This was his great desire.

Q: Israel?

SACCIO: Yes. He was fascinated with the kibbutz and he wanted to go back. He had seen it and how it worked and so forth. And they said, “We'll make you a career minister.” He said, “You can do anything you want, but I want to go there.” So he resigned from the Foreign Service. I knew of his great interest in Israel, and he kept saying...

Q: Later he probably would have become ambassador to Israel. He was a first-rate ambassador, I thought, Murat Williams.

SACCIO: Yes.

Q: There's one thing unusual about that mission that I want to put on the tape. In the succession in a mission, it's usually the DCM becomes the charg#, and then if the ambassador and the charg# are out of town, then the head of the political section. In Salvador, Murat Williams—I don't know whether you had anything to do with this—wanted a different succession. He wanted the AID director to be charg# in case you and he were out of town, and Ed Martin approved it. It was the only time it was ever done. So Bob Herder would become charg# in case you and the ambassador were out of town.

SACCIO: Well, I can understand that, because Murat didn't like the political officer.

Q: I see.

SACCIO: The prime example of his beef about him, I think, our famous vice president, the man from Minnesota.

Q: Oh, Hubert Humphrey.

SACCIO: Humphrey came down, and the congress of Salvador invited him to speak to them, and Humphrey went off.

Q: He loved it.

SACCIO: And this fellow—whose name I don't remember— said three words for 15 sentences spoken by the Vice President. [Laughter]

Q: The political officer was doing the translating?

SACCIO: Yes. The only man we had. He was a jumpy guy, and he had good contacts and so forth, but he and Murat never . . . that's why. And Herder always worked very closely with the ambassador. Herder was the salt of the earth, and just between you and me, he made fun of Murat, who was, you know, the Ivy college, the Virginian counterpart of the good families and all that. But they worked very close together. Now I'm reminded of that. I didn't realize. Well, this is getting too lengthy.

Before we continue chronologically, I'd like to cover the business of the CIA and my experience with them, and it goes back to my being in Washington and in the five posts. In Washington, it was, strictly speaking, with the Vientiane. John Tobler was the AID director there. Do you remember him?

Q: Yes.

SACCIO: I was on that around-the-world trip in which we did a good number of the missions. Incidentally, we had President Truman's old plane, with the poker table and all. The stop there was very disturbing, because John was very concerned of the situation there, and his ambassador was very concerned. They were working together and they felt that they had no say or that the CIA was running the whole thing, and they didn't know what the hell was going on.

Q: This is in Vientiane, Laos, right?

SACCIO: Yes. He and the ambassador got together with me and Jack Bell. Jack Bell was the State Department man on the trip. And we sat down in this dark little room, and they let out their fears and concerns, and as far as they were concerned, Laos was finished. There were very concerned. I think they felt that the CIA was not really meeting the problems of the country or they felt that it was more a secret operation than anything, without the ambassador or John, with his AID program, knowing anything about it.

They spilled their guts to us, and we realized, both Jack and I, that they were in a state of almost panic. And we said, almost simultaneously, “Now, look here. We're going to save this country, and we're going all the way. Don't assume that we're getting out of here.” And Jack, as the policy man, you know, laid it on. And we left the room, shook our heads, and said, “My gosh. These fellows are absolutely scared.”

When I got back to Washington, I told the CIA, “You're not paying any attention to the ambassador or the AID director.” They sent their top man over to my office to brief me for a whole hour. They wanted to satisfy me, because I didn't hesitate to say that there's something wrong there.

I say that because I found as going through here, the six years in Washington and then overseas, the State Department had created a situation where it used the CIA and would not acknowledge it and denied that it knew anything—denied publicly, of course—that it knew anything about what was going on, and this happened time and time again in my service. I happened when the Chile thing broke.

I saw that Charlie, the assistant secretary, the Sears man—Charles Meyer—went before a congressional committee and said he knew nothing about what was going on. When Oliver came down when I was in Argentina, first of all I had to convince him to come down to Argentina, because he was reviewing a couple of other countries and they said, “Why are you skipping Argentina? I mean, this is an important country.” And he finally consented to come down.

Q: This is Covey Oliver, then assistant secretary for Inter- American affairs.

SACCIO: I was the charg# and took him around. We talked to the foreign ministry, and Herb Thompson did the notes, and it was very good. And in the car, he obviously was interviewing me, and he asked me what kind of an ambassador would I be. Would I want to know what the CIA is doing, or are you like— who is that slick ambassador we had in Brazil for a while with the two dogs? He had plastered hair, very neatly European in his dress, and all that. He was kidnapped, wasn't he, at one point?

Q: I can't remember his name. You're not talking about Rob McClintock?

SACCIO: No, no. He certainly and coolly outsmarted his kidnappers. At any rate, when he was briefed to go down to Brazil, they asked him whether he wanted to know what this CIA was doing. He said, “Absolutely not. I don't want to know anything about it. You can tell my DCM, but not me. I don't want anything to do about it.” And Covey put that question to me. He said, “Would you?”

I said, “For Christmas sake. I would lie for my country just as well as anybody else. You mean to say I'm not going to know what these guys are doing, with my experience with this fellow I had in Argentina? Who is running the goddamn embassy?” And the fellow in Colombia, when I finally got there, my god, my political officer would go to him and ask him to get some information for him.

The State Department allowed itself to become a tool of the CIA, because they relied on it to do this, do that, and Kennedy was one of the greatest violators of that if there ever was. With his counterinsurgency program—this is Bobby Kennedy—and the whole idea that the CIA was an instrument, as if he were fighting in the street fights of New York or in Boston. It was incredible.

And when I came back once, I said, “My CIA man is spreading stories about the fellow who is candidate to become the president of the Latin American Organization.” It was

some prominent Latin American who was not very happy with the United States. The CIA man was spreading stories about his weaknesses or whatever, misinformation or something, so I said, “Jack”—this is Jack Crimmins, isn't it?

Q: Yes, John Crimmins.

SACCIO: He worked with Charlie Meyer on Cuba. I said, “What is this guy going around telling these stories for?”

He said, “We told him to.”

I said, “For Christ's sake, Jack,” and I walked out of the office.

Q: They told him to, but then he didn't let you or the ambassador know that he told the CIA man what to do?

SACCIO: Yes.

Q: That's terrible.

SACCIO: Well, I had my problems with this guy, who had been there for four or five years with a number of ambassadors and he was running the show. Stevenson was my deputy.

Q: This is now in Colombia?

SACCIO: Yes. He came in. You know, we had the adjoining offices. I've forgotten this CIA man's name. He said, “He's brought in somebody to help settle this strike.”

I said, “What strike?”

“Well, there's a strike out there, and he's brought in a man to help it, apparently as least disturbing as he possibly can be.”

And I said, “What!” So I went back to my office and called my secretary, “Tell So and So to come on down here.” And I said, “You brought in somebody to work on this strike?”

He said, “Yeah.”

“Who the hell gave you authority to do this?”

“Well, I mean, this is, you know, anti-communism and so forth.”

I said, “The next time you do it, you're going to get out of here. You dare do anything like that again, you're out.” And I wrote one of those messages, “Eyes Only,” and bypassed him, which is a joke, because the guy up in the...

Q: Works for the CIA.

SACCIO: No. He was from the National Security, but he came and told me, because he didn't like him, either. [Laughter] It was a joke.

Q: Some of those station chiefs have more authority than the ambassador.

SACCIO: Tasca was a famous example.

Q: We're talking about the CIA.

SACCIO: Do you remember Tasca's first name?

Q: Henry.

SACCIO: Henry Tasca. He was made ambassador to Greece during the—I think they call them “the colonels” who are in charge—and he was there for some time, a couple of years, perhaps three. At one point, the station chief gave a reception of one kind or another, and he invited all the people he knew. And everybody who was anybody—the

military, everybody that was important—came, and Henry was so embarrassed that he walked out.

Q: Really?

SACCIO: Yes. Well, this I read, but it happens to be exactly the experience I had with our station chief in Colombia. He had a party and he had a magnificent residence. There was no question about it. They were all, as in Latin America, small villas in the city, of course, walls and beautiful large, expensive entertainment rooms, the dining room or the assembly room of one kind. And, by gosh, they were all there, all the people that he had on the payroll.

His payroll may not have been very expensive, but it was a precious thing because he would get anything that these people wanted into the country for them in the way of books, newspapers. Not silly things, the things a writer would want or a newspaperman would want. And there was one fellow who was a maniac about collecting books. In fact, his whole house was an empty shell of three stories lined with shelves of books of every kind, and he would boast, “Name me a book, and I have it.” And everybody would try it on him, and he'd have it.

Our station chief was able to do all these things. They knew where to go when they wanted something or help. Now, this was not necessarily nefarious, but it was beyond the control of the embassy or the State Department or anybody like that, because it would be a situation of non-accountability. The only person he was accountable to is back home in the CIA. If he did something wrong, well, they'd take care of it themselves.

But the situation there in Colombia, in Argentina, was the same. We had one guy who was actually brought up in Vietnam as an officer, working there. He had this entire perspective of working against the leftist, the communists, or what have you, and he brought it to Argentina. He was looking for things all over the place.

One of the things he did was to try to put the foreign minister on the payroll in Argentina. He went to see him and said, “You know who I am? I'm very much interested in what you do. And if there's any help you need or anything you need...” And the foreign minister told the ambassador, Ed Martin. This foreign minister was the type, you know, the old families, maybe not necessarily terribly wealthy, but well off, and he was very much interested in foreign affairs. He was a partial paralytic and had to use canes, just like FDR; he was a proud man.

Then they tried to buy the one famous columnist they had, who would you say was on the same level of Walter Lippmann in the United States. They wanted to work with him.

Anytime you ask them, “Now, where do you get this report? What's your basis?”

“We have it. We have it.”

And I said, “Now, look. I just can't believe this in one instance. You have a man who got this information from a reliable source. Bring him in; I'd like to talk to him.”

He brought him in. He was an American, and he looked like an ordinary fellow. He didn't look like a tourist or anything like that. And I asked him to tell me. Well, the story didn't come out exactly the same, but they had summarized it so beautifully that it sounded like nice, clear information.

Now, when Dick Nixon came into office, the first thing he did, you will recall, he wanted the Foreign Service, no matter from what department—State, Commerce—he wanted cuts, and he put out an overall cut of 10 percent. And as far as the CIA, I cut them down 25 percent.

But my concern became, and always was, that we were working with these fellows who just did not have the background of working with other governments on an open diplomatic basis. They were all geared up on the business of terrorists, secretive operations,

conspiracies, and so forth. And they were using their judgment, and whatever came from Washington, there was no question.

And most of the Foreign Service, I learned, particularly the senior boys who had been in the business for a time, decided they wouldn't have anything to do with it, because they didn't want to get in the position where they would have to say, “I did know about it, and it was justified.” No. “I did not know one thing.”

And I said so when I got back to Washington. I said, “The State Department is just absolutely dependent on these fellows, and they shouldn't be. You could get all this information they give you just as easy as the Times reporter would get it. And you have a Times bureau chief in any of these countries. He has three or four stringers with him and so forth. He could tell you just as much as these guys can, outside of deep mysteries or conspiracies. But as far as the general situation in a country is concerned, they were writing economic reports and they were writing political reports, of course.

Once I called the station chief in, who came after I had his predecessor moved. Oh, I have to tell you that I fired him; I got him out of there. I said, “Why are you sending in these reports on economic situations?”

He said, “Those are my orders.”

I said, “Let me see your orders.” He went back in the office and pulled out his instructions. “We want you to report on all these things, everything.”

I said, “For Christ's sake. You don't have to report on that. We'll take care of that. What do you think we are here for?”

He said, “I'm sorry. These are my orders.”

I said, “Well, you just forget them, because we want our people to do their work and not come to you and ask you questions,” which they were doing before.

It was a sorry business, and I didn't mind telling anybody in Washington, because when I had this fellow removed, he had been there for quite a long time. Obviously, everybody was close to him, including the Colombians, our people.

Q: I ran into him once when I was there.

SACCIO: Did Christian Herter go back and become assistant secretary for Inter-ocean Environmental?

Q: Something like that, yes.

SACCIO: And he had a deputy who was ambassador to Peru, who was instructed to make a critical speech by Washington. And, of course, he was kicked out by the Peruvian government. They had to reassign him, so he became deputy to Chris.

I told them that I wanted to see this matter cleared. I don't want this guy running around, particularly since there was an election coming up. It's a perfectly good election. If the Liberals win or the Conservatives win, it will make no difference. It's just the same people. They're nice on one side, nice on the other, and they have their faults.

Allen Dulles made a big joke of that. When he was station chief in Geneva, he advertised that he was with the CIA because he wanted to have people come talk to him. [Laughter] That's what he said. They all knew.

Well, so much for the CIA, because I felt that it corrupted our policy. I mean, what happened in Chile, what happened in Guatemala, I didn't have any direct part in it because I wasn't there. But it was obvious that any amount of leftist indication of anybody was

suspect. And the only case I know where an ambassador overruled this attitude was our good friend who was ambassador Portugal. He became director of the CIA.

Q: Oh, Frank Carlucci. Well, Frank's a very able guy. He is a tough guy.

SACCIO: When they overthrew the dictator there, and the democratic parties were fighting among themselves as to what to do, Washington became concerned that the Socialists would take over. And he just raised holy hell, “What's wrong with the Socialists? I mean, they're all Socialists here.” Do you know Carlucci?

Q: No, I don't. I just know that he's a very able person, one of the best we've ever had.

SACCIO: When Bob Stevenson left and went to Washington, I got a fellow by the name of Allen—I can't remember. At any rate, he was an old Latin American hand who had been shoveling around and nobody would give him an advancement. And when they asked me who I wanted for DCM, they offered me him, and I didn't know anything about him. And I just asked, and I got the usual State Department statement, you know, “Good man. He has experience,” and so forth. He was suffering from eye trouble, but he was getting over that, so he came down.

He made a mess of the operation. They didn't tell me fairly that he was not, because from my private experience in business, I found that interviewing people was really, as far as I was concerned, not very effective. You just got to know the guy, and you never could get an answer clearly from anybody that he was no good or what. They wouldn't say anything like that. He said, “He's a fairly good guy.” You have to learn how to interpret that, but being new on stateside, I took it, and he was incredible. I asked him to be removed, and I asked for Frank Carlucci, and they laughed.

Q: You were smart. [Laughter]

SACCIO: They laughed. I said, “Yeah, I've seen him up in Brazil where he was assistant to the ambassador,” so it was just temporarily. Well, I made a short trip to Brazil at one point.

Q: You could see that he was very able; a very good guy.

SACCIO: But he was a Foreign Service officer.

Q: Oh, yes. He's a career Foreign Service officer—was until he became Secretary of Defense.

SACCIO: I don't know that there's much to say different as far as the operation of embassies in any of these places. India was, here again, a sad matter, because they appointed Senator Keating. He was senator and he was the man who claimed that he had the pictures of the missiles in Cuba, and then he ran as chief justice of New York Court of Appeals. Of course, he claimed he got more votes than anybody else in any office that ever ran in New York state, because he was the only one running. And, of course, they had to vote for him, no matter whether they voted for the Democrat or the Republican.

I don't know why they sent him to India, except that you had Nixon there who gave him that job. Let me see, I got to Delhi, India in '69 or '70. No, who would have sent him there? I was appointed to Colombia in Nixon's Administration. Wasn't he elected in '68?

Q: Yes.

SACCIO: Well, they sent Keating to India, and he had no know-how or understanding of India. He was following Bowles, who was very close and sympathetic and empathetic of the whole Indian operation, and his wife went around in saris and sandals and rode around on bicycles And when Keating came in, he said, “I want you people to get dressed as Americans. None of this stuff; no sandals. And I don't like beards.” Some of our AID people . . .

Q: But you had that nice AID building by the time you got there.

SACCIO: Right next door. And we had enough trouble with that, because everything had to be secure about the embassy. But people who wanted to come to see me as the AID director, they would go into the AID building without any trouble. The man in charge of security would shake his head, “How did this guy get in? You keep controls with the embassy.” But they were joined, you see. What could we do? You could go down the basement and come up from the other side.

Q: Yes, we had that underground passage.

SACCIO: But he was a sad case for an ambassador if he was to have any influence. But aside from that, our policy was pretty poor stuff, because we never made up our mind whether we were going to be with Pakistan to support their prejudices against India and building up their armaments, or be on the Indian side, or be on both sides, or try not to be involved, and Mrs. Gandhi was against the Americans, anyway, just culturally. She was brought up in London School of Economics, and palsy-walsy with the Russians and had a whole combination of military assistance and plants and all that kind. There was no way that Keating responded to any of that, because he didn't know, and he wasn't helped by Washington in any way. Anytime we sent something to Pakistan, we had a crisis.

When Churchill and I first got there in 1969, we were invited by the minister, who was my counterpart on the economic side. His daughter was getting married, and they had these cottages, as you well know, with the gardens all around. I think it was the first day we were there, the second evening. We went there dressed up to the garden, and there was Mrs. Gandhi seated on one of those awful stuffed chairs that they have in all these Latin American or less-developed places. I don't know why.

Q: Yes, a symbol of affluence.

SACCIO: Yes. Nothing clean, no nice stuff. Just big, fat furniture.

Q: Which, in that climate, is the worst thing; it's so hot. The big stuffed, served you out in the garden.

SACCIO: Yes. And rugs on the lawn. And we passed the reception line, the bride and groom. The minister took us and introduced us to Mrs. Gandhi, and she smiled and he left. Apparently, people were doing that. They were going first to the reception line and stopping and chatting with her. And we were all alone at that point, nobody with us, and she wanted to know who we were.

And I said, “I'm the new minister in charge of the AID program.” She froze, looked the other way, and there we stood, both of us. We didn't know what the hell to do. We were saved, but not too soon, by somebody coming along. We sat down in front of her, not knowing what to do, and then somebody came along, and we decided to move on.

Q: Why do you think she acted quite like that?

SACCIO: Because she was definitely against the U.S.

Q: Against the U.S. or against the AID program?

SACCIO: Against the U.S. and the AID program. She didn't mind the money. She didn't refuse our aid. She didn't refuse the food. It was on the aftermath of President Johnson putting the screws on India in one of the successive monsoon failures in which he laid down the law, “You either do something about your agriculture, or we're not giving you any food.”

There were freighters coming in every day in the ports of Calcutta and Bombay with food, and he imposed this on them. Obviously, he had to do it, because he was talking to the head of the state. And the stuff came in. PL 480 poured in and created the billions of

rupees and the funds that nobody knew what to do with, because all we needed was $50,000 to take care of the embassy needs at that point.

There was still a grudge, except there were some knowledgeable Indians who said “President Johnson did the right thing. Now we have a growing agriculture. We're doing rice, we're doing this, we're doing that, and we're doing malaria.” But she was against us, just like any Latin American leftist would be, prejudiced against the capitalist nation. Because she was brought up as a socialist, educationally, as well, and that was it.

Well, the aftermath of that was that I told the people in the embassy, “We know that; we expected that.” Nobody warned me about it. Why would they warn me? They didn't know we were going to the reception or I didn't ask.

The man who they put as my counterpart was the top-level civil service. You know, they talk about the steel structure. He was very close to Mrs. Gandhi; a great economist. One of the better Indians who didn't go into politics for money. He eventually moved over to the United Nations and became one of their officers. Either that or the Bank. I think it was probably the World Bank.

I would sit down and review the week with him, and we'd describe what's going on, what had to be done, running through all the programs. And he appointed a secondary man from his office and said that, on the day-to-day matters, you can work with one of his aides, which I understood perfectly. He had other things to do. And we worked on the population program all up and down, and some of the boys in the embassy said—oh, Funari, who became my deputy, was there when we arrived. He told the Indian native help in an assembly hall, introducing me as the new director, he said, “His name is Saccio, my name is Funari, but you're not going to have spaghetti every day.” They laughed. [Laughter]

He told me that Mrs. Gandhi had a secretarial aide who took notes on every meeting and was her calendar scheduler. He identified the man so I knew what he looked like, so when the AID director, the former head of Michigan State...

Q: Hannah.

SACCIO: John Hannah came on a visit. We made a call on Mrs. Gandhi with the ambassador, and they sat right in front of her and I sat on the side. I was supposed to go with them. And she talked, and she turned around to me and smiled. Oh, there goes my good friend; he must have said something. [Laughter] Because, you know, we were working entirely on a non- political basis.

There were two crises. One, Keating's alarm clock did not work, so he didn't get to the airport to see her off to the United States. He blamed his Foreign Service officer, who was a gal, who was his immediate aide, and who he tried to screw at any chance. You know, he was 79 or something, but he wanted his women, just like Gandhi, as a matter of fact. And he blamed her, you see, because she had not awakened him or something, as if she were living with him, which, of course, was not so. She hated him.

Q: Was he living then in Roosevelt House, in the main residence, or was he where Bowles used to live?

SACCIO: Not where Bowles used to live, because he was in the mansion.

Q: Oh, that's right, because he wouldn't do that. I see.

SACCIO: The other small crisis came when she made a speech down in the southern part of India and “all these Peace Corps people and all the CIA spies” and all that.

Q: She said that?

SACCIO: In a speech.

Q: Oh, my lord.

SACCIO: And Keating was unable to handle it, because, being brought up the way he was, he would not even admit there were CIA people in the country. In a staff meeting, he asked the CIA guy, or anybody else who was in there, “What do I say if they say we have CIA?” And there was dumb silence, even from the station chief. He was adrift, you see. Nobody had briefed him, and he didn't have sense enough to realize everybody knows that we have agents all over the place. But in those days, you would cover here, cover there. It was a lot of nonsense. But any rate, he had a real rough time.

But the program was a good one, but an almost impossible one, because back in 1920, the population was 150 million. When we were there, it was 500 million, and it is now 850 million. The international conference just the other day of aid-giving people, the industrialist stated, “The developed countries ought to do something about this. Give aid to the less-developed countries.”

Q: In the field of population, is that correct?

SACCIO: No, everything. But the whole point was, they said in that—whether explicitly or otherwise—they said the population is just taking over. When you have a situation like in Indonesia, India, China, what have you, the Chinese do something about it. The Indians try to do something, and one of the reasons Mrs. Gandhi was considered a tyrant was because she went around with vasectomies and all that all over the place and was very brutal, at least according to critics, of pushing people out of Bombay and out of Calcutta. It was, “Get back in the country- side.”

They wanted to build an atomic bomb and nuclear capability, and they wouldn't take any advice or guidance of the United States. And when they opened their first atomic nuclear plant outside of Bombay, the ambassador wasn't even invited. I mean, this was a national

operation and the Diplomatic Corps was all invited, and we had helped with some of the materials and so forth. And Stone, who was the DCM—what was his name, Galen Stone?

Q: Galen.

SACCIO: Galen Stone moved heaven and earth and said, “He should be up on the platform, not sitting on the first row or the second row of the audience.” So it was an impossible case of nobody liking anybody, and only the people at the technical level, let us say, had contacts that meant anything, some of the political officers and so forth.

The CIA would never open its mouth in a meeting. The guy would sit there and listen to us. Once I burst out, and Galen Stone said, “Keep quiet, Len. Keep quiet.” I said, “What the hell are you fellows sitting in here listening to us, and you won't say a damn word or what's going on? I mean, why the hell are you here, spying on us?” I told them so. When the ambassador was away, and I was in charge, I made it quite clear in the open meeting. I said, “You got anything to report on?”

Well, we were doing some quite good work. But I tried to find out what projects had been in operation in India over a period of years to see what had happened when somebody was talking about a milking operation, a dairy operation. Going back to Washington, it's impossible to get the archives.

Q: Really. There weren't good records right there in New Delhi nor in Washington.

SACCIO: If there was, they said that it's too difficult to get at that sort of stuff and dig it out.

Q: Well, I think it's notorious that the institutional memories of both State and AID are some of the worst in Washington—I mean, the worst in the U.S. Government.

SACCIO: Well, there was no permanence of responsibility. They put out, four years late, the book on diplomatic correspondence.

Q: And even that is badly censored. That isn't a good record.

SACCIO: It's criticized all over the place.

Q: Well, let me ask you one thing that I haven't brought up. We've discussed your general opinions of working with the State Foreign Service, the AID Foreign Service, and the CIA. What about USIA? What's your general feelings about USIA? You must have worked with them in all these countries, of course.

SACCIO: Well, I can run down the line. In Brazil, Alessandro, a typical case. I mean, there was counterinsurgency, communists all over the place, that sort of thing.

Q: The United States Information Agency?

SACCIO: Yes. He was the head of the USIS. He would not find opportunities to put ourselves forward. It was just this whole operation of fearing that the leftists were taking over, and they bought it hook, line, and sinker. I mean, they didn't make any distinction between what was said in Washington, public consumption, and what they had to do at that level. I mean, there was nothing into that.

A guy like Jack Crimmins would work on coffee and the economic part, on which he did a terrific job. They had to get a coffee agreement of one kind or another, and he had shipping inside and out. But nothing about the basic relationship between the countries to make them better or understand why we were not being accepted.

Then, at one point—I think I told you about messing up on the Pope's encyclical, and I raised that with Murrow at that Lima meeting. Well, he didn't take advantage of it. What the Pope said was so much of what we were trying to do, at least saying that we were trying to do it.

Q: And you're dealing with a Catholic country, a Catholic continent. This isn't India, where you've 14 different religions. You've got one basic religion—Catholic.

SACCIO: In Argentina, we had Jack Knight.

Q: Jack Knight. We're talking now the USIA in Argentina.

SACCIO: Now, he had that position in Rome when Clare Boothe Luce was there, and he said that Clare Boothe gave him a free-hand on public relations things. And he worked on it, and he expected that I had nothing to say about what he was doing. I mean, my idea of a DCM is not waiting for the ambassador to tell me something or I'm supposed to be the administrative officer at the top of the whole thing to see that people work very closely related to the substance, not just how many reports you have.

At one point, Washington wanted a report on the progress of the Alliance for Progress. He wrote a long—it wasn't a telegram; it was a letter. They had two types at that time.

Q: An airgram.

SACCIO: It ran three or four pages, all the Argentines were doing under the Alliance for Progress. And I said to him, “Where do you get all this stuff? They were doing this anyway. What does it got to do with the Alliance?”

“Oh, well. It shows that they are progressing.”

I said, “Well, you don't say so here. This is the great work of the American AID program here.”

And I called up the AID director, and I said, “You believe this stuff?”

He said, “Well, I cleared it, but . . .”

I said, “You're not going to send this stuff. It's a lot of public relations stuff.”

Well, Knight was that kind of a fellow. First he said, “Mrs. Luce let me do anything I wanted. I'm a newspaperman:” and so forth. And there was nothing there, except on the surface.

The one thing that he and I did together which was worth something was when Ill#a was kicked out and Ongan#a took over. The military took over practically everything and put the clamps on the universities. And there was an American professor in there, Ronald Zone, no relation to anybody in our government, and he got kicked out. So we discovered where he was, in a hotel in the middle of Buenos Aires, so we took it on ourselves to go down and talk to him. It showed up on the front page of the New York Times. [Laughter] But we did a good job of showing that we're not going to take any of this kicking around of people.

In that connection, it's interesting that Ed Martin wanted to take a vacation, and he asked all concerned—the CIA, the political officer, and me—whether this was a good time to go away; maybe something would happen. And I said, “Well, do you remember my interview with Alsogaray?” Alsogaray was a famous economist of Argentina, and his brother was the chief of staff of the Argentine army, but the second Alsogaray was not a military man. He was an economist, true and simple, and at one point, he had been the economic minister, whether he was under Frondizi or somebody else, and he put the country through a hard winter. You know, the old thing of squeezing in order to get back to a sound currency. And they hated him.

They had an elected president, who was either a doctor or a dentist, I forget, and whose hobby was studying maps. He would say, “Look, do you see how different Argentina from the United States? The rivers don't run down from the mountains. We don't have any strong rivers, like you have Mississippi and so forth.” When Mr. Ford came down to talk

to him, he offered him an antique Ford as a gift. He said, “We have plenty of those on the streets of Argentina.”

He was useless. His idea of the separation of the powers of the state was very simplistic. He made a big speech at the beginning of the congressional year, or the fiscal year it to Congress. He said, “I'm the executive. I'll take care of this. You're the legislature. You pass the laws, and I will enforce them.”

And I said to Ed Martin, “Just imagine a President of the United States waiting for the legislature to pass the necessary laws that this country needs, and then enforce them.”

Q: This president, what was his name?

SACCIO: Ill#a. Well, obviously the country was sick and tired. I mean, they had Frondizi, who was pretty active and was trying to do something, and he was full of vim and vigor and had a big fight with Kennedy about the hoof and mouth disease and how to get meat into the U.S. But Ill#a was just a nice guy who didn't seem to have what some people say Mr. Bush doesn't have, and, of course, they're wrong. He had no vision at all.

So I went to see the economist, Alsogaray, at one point. I called him up and he said, “Meet me in my private office.” Well, his private office, like many of the Argentines and Latinos usually have a little office. There's not a damn thing in it. A desk and a chair, but no books or papers. I went there and I sat down with him and talked to him for an hour, and I put the question to him, “What's going to happen?” Everybody is talking about a golpe. What is the military was going to do.

So he said, “Well, in six months, about June, we will take over, and this is the program we're going to institute.”

“Thank you very much, se#or.”

I went back and gave it to Ed Martin. He smiled and said, “Let's send it in, that's all.”

And time passed. I guess that must have been in the early part of the year. Things were going on just the same as ever, and Ed Martin wanted to take his leave. He asked the country team. We said, “We can't tell you it's not going to happen or that it is going to happen. You know just as well as we do of all the talk, but when would be the time for you?” So he went.

So, sure enough, in June, it was, '66, they took over. It was a beautiful job. Oh, I have to remember one thing. One of our colonels who was in the military assistance program had his office in the Argentine secretary of war, and come around 4:00 in the afternoon, he was fiddling around with his papers, and one of his counterparts said, “John, I think you better go.”

He said, “What do you mean?”

They said, “Well. I think everything's taken care of. It would be a better idea that you go off early.”

“No problem. No problem.”

So John almost had a heart attack running to the Embassy to tell me, Ed Martin being away. He said, “It's going to come. It's going to come.”

I said, “Okay. Put it out. Get the boys in.” The political officer—what was his name? “Pete.” He had a funny first name, but his nickname was “Pete.” And I made the mistake of calling him Peter once, and he said, “Hey, that's not my name. 'Pete' is my name.”

Well, we all got ready and, by gosh, things began to rumble, and just then, the Soviets had their annual reception. We were listening to the news and I said, “I better go there. Maybe I can find something out.” And I got there and most of the other guests had disappeared

already. The caviar gone. There was nobody there associated with the Argentine military. I went right back and said, “Keep going.” And, boy!

Q: It happened.

SACCIO: It happened, and there was an announcement, “The government has been taken over. There's no problem. Just for the next four days, do not drive your car around the four blocks of the presidential palace, Casa Rosada, and there won't be any problem.” There it was. It was done.

So, of course, under our Latin American agreement, which said that we will not support—collectively, Latin American countries will not recognize any government that takes over forcefully from a duly-elected government. This was a sort of a development from the Alliance for Progress idea of working together and that democracy was important, as well as land reform, popular government.

After 18 days, some reporters went in and talked to Ongania. The essence of it was, Ongania said, “We will work our way to a democracy and we will have an election. We just got to get things in order.”

Martin was up in the United States at some Beach, and he immediately got hold of the State Department and said, “Grab this. Because if we don't recognize this, this uneven status of not having recognition, it's troublesome. We're not going to be able to do anything about it.” So they took that as a ploy to say, “Yes, he's going toward a democracy, and we're all ready to go.”

So I got instructions to go to the foreign ministry to tell them that, “You're nice boys now. We'll work with you.” And this new man made me wait exactly 18 days, corresponding to the 18 days that had passed since the golpe.

Q: Eighteen days. He wouldn't see you for 18 days, because it took you 18 days to recognize the government. That's terribly interesting.

SACCIO: But, unfortunately, Ongan#a came in. He had a bunch of businessmen as economic ministers, and they had no different vision than anybody else as to what had to be done specifically. It was still a country relying on one-crop agriculture, meat, and wheat, and in competition with us in the world markets for cereals, a heavily loaded bureaucracy in every business—telephones, railways. A labor union set up, which they inherited from Per#n, where everything had to be accounted for. If you had a little inflation, you had a little sort of wage raise. And you kept doing that, and it went around in circles.

They claimed to have tremendous resources, but that was wrong. They had no coal, they had no oil, they had no water power. They were considering building a power line all the way from the Andes to Buenos Aires, which is over 2,000 miles. This was the basic problem of what do you do with a country whose technology is so poor and whose desires, whose idea of a standard of living, is as high as possible in an industrialized country, and blaming it on the foreign capitalists? Because the military is not capitalist, it's not free enterprise, and the labor unions aren't and the leftists aren't.

They all are suffering from the same thing that Eastern Europe is suffering today. We want to be free, but we also want our social security, we want our wages, and we want to be able to work on a farm from 9 to 5 and go home. We had a whole bunch of farmers come down from the midwest of the United States, practical guys who ran farms. Whether they were the big corporations or not, but they were farmers of the American style.

We put them at one end of the semi-circle of Buenos Aires, which has one-third of the population of the country. The other 16 million are all over this vast area, the Pampa. Up in the north is the wheat country. The Pampa is the meat-growing country land. And they went through that whole area and said, “My, gosh, we could create a tremendous food-producing area here” And what are they doing? They're at the mercy of just one crop. They

could sell beef and they could sell wheat, and they have to compete with us because we could outsell them anytime with our subsidies and quantities.

We never could tackle that problem. And when finally the military got out after I left, they put in some free enterprisers who had the silly idea of opening everything. Before you knew it, all their money was being spent abroad. They didn't have a protective tariff of developing their own industries, which we did in our early period of the republic. But it didn't become necessary. There was no point to it, after all, because we were producing as much as we could import. In fact, we didn't even rely on importations.

Q: Have we left India?

SACCIO: Well, India, I think, is pretty much here our inability to work with socialist countries shows up, as elsewhere. You just recall the word “socialist,” and then you close your mind. The fact is that we're just as socialist as any of them, because we have all kinds of safety nets, economic safety nets.

Of course, this is 20-20 hindsight, because I've been reading much more about all these things since I retired, having to teach international law. We have no concept that we can work with these people, even though they are socialists, in theory and in theology. Leave out the communists. We have government-owned operations all over the place. The S&L, of course, is an example.

That's what I considered one of our failures, and that's because domestic rhetoric is always against us. We cannot say anything good because we have to base it on freedom, freedom of the individual, the open market, things of this kind. Again, I say this after the fact, but this is what became very difficult to deal with in these countries. Now, I understand AID has gone for attempting to develop entrepreneurship in business, which is very important, and that would be the way, I imagine, to resolve some of these problems.

And poor old Gorbachev is now faced with it, because how do you create a body of people like that right off in 500 days?

We had a debate between AID and State about assistance to Africa, and we were bound up by the European policy not to interfere with the colonies of Western Europe.

Q: This was when you were with AID in Washington?

SACCIO: That's right. I was deputy. Jim Grant was working on that, and Jack Bell, too, on his side. One day the Secretary was away. I forget who it was. Dillon was chair of the Secretary's staff meeting, and Jack Bell and I just called in and said, “Look, this is silly. We were being stopped from doing anything in Africa on the basis of we can't touch the colonies of our friends in Europe. And it isn't working, and it's going to lead to all kinds of trouble.”

So Dillon said, “Let's make a study about it.” Jack Bell really was strong for it. And that guy started it, we're talking about with Jim Grant. And it was a great pleasure for Jack Bell, in the same meeting, hauling away. So we had a quick study, and we set up a whole thing with myself, as chairman, and Satterthwaite coming in and making the basic political statement.

Q: Satterthwaite, he was assistant secretary for Africa, is that correct?

SACCIO: I think that is right. Joseph C. Satterthwaite, assistant secretary of state for African affairs.

So we wrote a very good paper, and the White House called, a little time after, “What are you guys doing about Africa?” And Joe responded like all get out that he had a report, which we had shoved him to do. He was not very happy about it, but he got instructions from Dillon, and he had to go through. Boy, did he have a piece of paper.

Ted Achilles was really a wonderful guy.

Q: Oh, first-rate. He's one of the really top Foreign Service officers, I felt.

SACCIO: Roy Kohler was the control officer when the Soviet Party Secretary came over and went to Disneyland—do you remember—Khrushchev.

Q: Oh, yes.

SACCIO: He was reporting the trip, and he told us just how shocked the Russians were when Hollywood gave them a performance of the cancan without panties. The good, old conservative Soviets were shocked. And then we were talking about the forthcoming election, and there was talk about that and everybody was quiet, and Ted Achilles said, “Well, what did he say about the elections?” Everybody laughed, because these State Department guys want to be in touch with politics but not say so.

Moscoso, I mentioned the fact that he was the guy who had to tell me of new faces and that's why we wanted to change things down in Argentina. But, interesting enough, he was a member of a party that went down to see Castro three years ago. Bob White is the head of this International Development Study, and he invited a number of people, including myself and ex-ambassadors, to go down. And there he was. We became close friends, working together and pushing for the things we wanted to know. We weren't taking any stuff.

I said, “Look. I want to see something about agriculture. I mean, I'm not here just to go to these institutions.”

“And I want to see industry,” he said. But we were never able to get them to change their program.

Q: And you did go to Cuba?

SACCIO: We did. We got there. We spent five days there. We were given these new accommodations in the Royal Hotel and went to various things, and we were quite impressed with the fact that it's a fairly simple economy, obviously poor, but it has its hospitals, it has its education, and it has all these things. There's no overbearing traffic. The buses are used. The hospitals are good. The local sanitariums are good, things of this kind.

Every time we asked him about freedom of expression, he said, “Well, that's . . .” We asked him about their experiment of giving farmers the right to go on the market themselves, and he said, “We couldn't have any of that. Here's a man making $50,000, and his wife buying up everything in the stores, so we cut it out. We can't have that.”

Bob White was trying to get some sort of understanding saying, in effect, there are differences, but there's no reason why they should be in the camp with the Russians and the Soviets. We can deal with them, and we don't want the whole idea of making a deal with the devil, as long as he's on your side. Your enemy is my enemy.”

And I kept saying—I think I was the only Republican—I said, “Look, you're never going to get away with anything unless, on the surface, this is a free country. Why don't they hire a public relations firm?”

“Well, what's the point of that?”

I said, “Look what the Israelis do. Look what everybody else does. They go and they talk to the congressmen. I mean, no matter how good or bad they may be, they have to tell their stories. Of course, public relations people are going to tell you right away you could lose; clean your act up. You can't have anybody in jail just because he disagrees with you.”

Q: That's going too far.

SACCIO: Well, Bob is doing a terrific job of maintaining the contact in there, but you're up against a stone wall of—well, you see how Castro turned down Moscow for years. I mean, he doesn't agree with them, and when they got into glasnost, he said, “It's not for us.” He had his experience with that.

When we finally got to see him personally, and we started at 10:00 and ended off at 3:00 in his beautiful office. It wasn't tremendously large, but it was a beautiful architectural, simple job. Nice offices and nobody around. There was a clerk at the desk and one policeman at the door, so you didn't have any problems with anything.

We sat there and he talked. We tried to interrupt and say, “But, what about . . .” And he told us what he's being doing, how he goes out in the field and he corrected a drainage problem. And he worked in a shop where a girl was putting in needles, and he figured out that this was ruining her eyes and that there was an easier way of doing it, so he fixed that up. And then he went to a hospital to decide various questions about services, and on and on.

We couldn't get very much, and Bob White put in a question once in a while, but he, very obviously, was maintaining a relationship. He was not cross-examining anybody.

Q: He wanted to keep this thing going.

SACCIO: It was a very worthwhile thing. Well, that morning—it was morning before we got to bed, 4:00 in the morning. I couldn't sleep. We had a couple of scotches with the leader, and he gave us a cigar. So I sat up in bed. He was kind enough to give us single accommodations. We didn't have to sleep in the same room, so we could put on the radio if we wanted to without disturbing the other guy.

I put on the television and, believe it or not, the five hours of what he talked about was on television. It was on television in the sense that it pictured what he was doing and what he told us was already passed. I mean, he had done it already, all five items that he covered

—his trip out in the drainage area, the factory, the hospital, and so forth. And I had insisted with Bob White that we get together in our conference room in the hotel before we left, because I wanted to get some conclusions of what we thought. He said, “Okay, if that's what you want.”

We had a fellow by the name of Joseph, who had been a Peace Corps executive and now head of New York City University. He's resigned from the head of City University recently. He had been a Peace Corps man, so he knew a lot about that sort of thing. We had a Franciscan priest. We had Bill Attwood, editor of Newsday. We had three of our former ambassadors. I don't remember their names; and Moscoso. We got together that morning before we left, and I told them what I had seen. I said, “You know. What we got from Castro was just a repetition of what he had done in the past week or so, going from place to place.”

I was obviously impressed by the fact that there were no crowds, no flag-waving, no military. He was in one car and there was an escort car, and that's it. He would stop at all these places, and the cameraman would take everything. He'd walk in and say, “Television's working nice now,” to the lady of the house. “What are you going to do about the roof?” It's just wonderful. He is enamored with the ordered society, without any understanding that if you educate people, you find you have an intelligence on your hand, like Mr. Gorbachev has.

I've never seen such a group of people who are so well dressed, so well fed, showing up on screens in Moscow and Leningrad. I mean, Sir Isaac Berlin points out in his comment that the people you're really dealing with, the intelligentsia that was created in the 19th century in Russia, they're not Marxists. They're educated, they're not brilliant, they're the basic core of the intellectual middle class. Not intellectual in the sense of book readers, but what the Europeans call intelligentsia. And that's what you see on the television. Well, where would you get a guy like Boris Yeltsin? If he were a dictator or a communist. And they're all over the place, once you give them a little food.

Q: And freedom.

SACCIO: They want the rest.

Q: Gorbachev gave them freedom.

SACCIO: That's right.

With Al Roseman and his wife. We stopped there. Cambodia. I forget his name, but a fellow by the name of Mann was the mission director.

Q: Charlie Mann.

SACCIO: A very good guy. And the ambassador was Ambassador Trimble. Al and Charlie took me aside and said, “He's scared stiff; he won't do anything. He's impossible.” (He had autographed pictures in silver frames of all the people he knew in the State Department.)

“We have direct contact with the Cambodians, and we know them.” I think they called him “Shnookie,” the prince.

Q: Sihanouk.

SACCIO: And, here again, the boys in the AID program knew, had the guts, and were close, while the ambassador was . . . I didn't meet anybody in the embassy, such that I recall, but Trimble was . . .

Q: He didn't have much to do with the Cambodians, or feel that he could have any effect. Is that it?

SACCIO: That's right. And he was frightened about what was going to happen there. Well, it finally did, I suppose, but there was no feeling of “we have a chance,” as far as I can make out.

John Connally's trip when he was Nixon's man:

Q: Secretary of the Treasury.

SACCIO: He made that worldwide trip. It was all advertised as a preview to succeed Nixon as president before the ceiling came down. We were in Colombia at that point. Just to indicate the arrogance of we “Americans,” they, in effect, said, “We're going to take this trip, and it's going to be on our terms. They ought to be happy that we're coming.” And they laid out the schedule.

Q: Without taking it up with the Colombians? (???)

SACCIO: Well, they told us, “This is what we propose to do,” and there was no real choice. And it was all advertised worldwide what was happening, and they got it out to the newspapers just as fast as we got it by telegram. They were stopping at Venezuela and then flying over to Bogot# and then on down, and the press was all keyed up to the idea that they were trying him out, just like in the case of Nixon.

He (Nixon) was a private citizen when he came down to Buenos Aires. But when he became president, boy, you should see everybody calling me up and saying, “I was at that meal. Do you have a photograph of that?” USIS brought out all the photographs and we sent them to the various guys who had become ministers. It was all fun.

On Connally, I was notified exactly when he was coming, and he expected to call on the president. They would come on a certain day, and they were off; the plane would take off. I said, “I'm not going to go to the president and tell him that lunch has to be at a certain hour, because you are coming in at a certain hour, and that's what we have to do.” Absolutely not. What the hell do you think the President is a hotel manager? So I couldn't get through to them, so I called John Irwin. He was at the top of the State Department.

Q: Oh, he was under secretary.

SACCIO: John Irwin. On the phone, I said, “Hey, this is a hell of a thing to do. I'm not going to go tell the president when he is to meet with them because they didn't want to be sleepy when they arrived; they wanted to make the lunch later. Absolutely not. You have communications with them. You tell them that they have to come at this time, and that's what I'm going to tell the president.” And they took it. They changed it. They came in droopy-eyed.

Q: But they did it.

SACCIO: But they did it; there were a few murmurings around the place.

Q: Well, do you think this is endemic that the department just doesn't understand the field? This was a case, perhaps, that a very powerful man had said he wanted to do a certain thing, and the department just caved.

SACCIO: Oh, yes. The department couldn't do anything about it. It's like Bobby Kennedy coming around making his trip. He sent two kids—and I mean kids—as advance men, and he wanted to do it his way. And what he wanted, they came into my office. I don't know where the ambassador was. He was either meeting him or on the way simultaneously. And this was a couple of weeks before they arrived, and they said, “We want all the people in the embassy to be dismissed, go home and get their family, and bring them to the residence and meet with Senator Kennedy.”

I said, “What do you think you are? They're not going to do that.”

“Well, this is what the senator wants.”

Q: So you told the Kennedy advance people...

SACCIO: So, I had the political officer, Pete with me, and we sat there. They sat on the lounge and I was kind enough, protocol wise, to get from behind my desk...

Q: And sit in a chair.

SACCIO: Not sitting behind the desk. You have to be very careful when somebody comes to visit you. If he's important enough, you don't sit behind your desk, like Luzzato did to me when I came back from Washington. We went into a bare room where there was some furniture, and immediately he got behind the desk.

I said, “No soap. We're not going to do that. Do you know where these people live? They're way out in the country. The family can't come in on their own. They have to go back and get them.”

They said, “Send them out.”

I said, “No soap. I'll tell you what I'll do, though. When Senator Kennedy comes to the embassy here before he goes to the residence or after he gets to the residence, he comes to the Embassy and visits with the ambassador officially and we have a talk about plans. We're on the eighth floor. When he gets through with that, we'll have everybody on the eighth floor at the elevator and say hello to the senator. Then we'll stop the elevator on the seventh floor, and we'll have everybody on the seventh floor to say hello to the senator. And we'll go down to the sixth floor, and everybody on the sixth floor . . .”

“Okay, okay. Well, maybe that will do it,” he said, “He'll meet everybody, because you're all here.”

So we did it that way. Ed Martin and I and the senator moved toward the elevator. All the political officers and the CIA boys were all collected on the eighth floor. They came out from wherever they were on the ninth. And they all said hello to the senator, very politely, “It's good to see you.” Then down to the next floor, the economic and commercial. The sixth floor, a little more of this.

On the fifth floor, it began to go bang, bang. The Argentines (nationals employed by the Embassy) had gotten so excited. On the fourth floor, bang away. On the third floor, . . . Before he got down to the bottom, it was chaos. And he walked out in the street— and this is a narrow street—and he got up on top of the ambassador's limousine, and the place was jammed. The entire block was full. He said, “I seem to notice that I get more applause the further down I go.”

Q: The Argentines. This is because they liked the Kennedy family.

SACCIO: That was the whole thing.

On university contracts, I can go back to India, if we have a little time. I found that some of these contracts were just shells. We had a man there. In some cases, we had three or four professors, and they were teaching some course or something. But they were not integrated. They were not in management positions and they were not in administrative positions.

On the basic top-level university which devoted to agriculture, we had a professor there. He and his wife, nicely settled, retired from some state university. We went up there and he had breakfast for us, and I asked him what he did. He said, “Well, I'm looking into the development of peas.”

I said, “Do you sit with the faculty or the board?”

“Well, once in a while they call me in.”

I said, “For Christmas sake. What the hell are you . . .” Here we have a contract with the university, and we have one man who could just be one of the professors, but nothing more. Maybe one of the research men, but nothing having to do with the whole plan of the university, the education, the effect on development, all that sort of thing. And I said to the very nice guy who was the agricultural chief at the AID program, “What's this guy doing?”

“Well, you know, you can't . . .”

“My gosh.”

Q: Well, whose fault do you think that was? Was it that it wasn't planned well by the AID mission, or the person wasn't adequate for the job that was chosen?

SACCIO: No, no. Apparently, at this point, whatever they did for the university had...

I can't say of anything before, because I don't recall getting in any deeper. But I said, “This man has to leave, because he has no purpose here.”

And they said, “Well, look. His wife is here, and the situation at home.” You know, personal things like that.

I said, “Well, I'm sorry. He stays to the end of the whatever term there is, and nobody goes in.”

One fellow, who was the contract man for the university—I forget whether it was Illinois—with Orissa, a state of India off on the Bengal side. I had an interview with him when I first came. I said, “How is it going.”

“Well, we're having problems.”

I said, “Well, what are they?”

“Well, we recommend that the faculty be permanent and not part time or slipshod, that they be given salaries, that they have a fixed curriculum, and that they have to follow it.”

I said, “Would you kindly write those down on a piece of paper?”

“Sure, I'd be delighted.”

I said, “Now, you go back and tell them if they don't do this, you're going to cut out the contract. Because we're not staying here just for you to be frustrated and not doing anything.”

“Well, you know, they have problems with money.”

I said, “I know they have problems. And if you're going to do anything for them, you have to tell them that this is what we suggest. And if they don't do it, there's no point in your being there or saying we have an AID program.” Incidentally, it worked.

Another instance in the AID program, we had a very good guy on economics and statistics. He was the brother of the opera conductor, Rudel. His name was Rudel, too.

Q: Oh, yeah. I knew him. Rudel. I see him every now and then. He and I live about ten blocks apart. Julius Rudel is his brother.

SACCIO: He told me how it was set up, and he had about 15 Indians working in his office maintaining statistics showing where the possibilities for shrimp development for small business, for export to make dollars. And they kept books over the period of months and years and so forth, showing how things would be developed and how they were going. I said, “Well, what do you do now?”

He said, “Well, we continue to do this.”

I said, “Well, what about the Indian government? What are they going to do?”

“Well, we're going to try to get them to do the same.”

I said, “You could advertise that you have this. If they're going to do it, I want you to transfer the whole bunch of Indians over to the ministry and put them over there.”

“Oh, that would be catastrophic, because they won't get paid.” [Laughter]

I said, “I don't care. You can't have these guys here. They're beautiful, they're lovely, they're having a great time, and they obviously want to continue to work for the United States embassy. What greater prestige and what greater pay would they get?” And, of course, we were paying out rupees, of which we had millions.

Q: Hundreds of millions.

SACCIO: That professor from Columbia came down to report what we had there. So Rudel said, “No, that's impossible.”

So I said, “Well, I have to see the economic minister, and I'll just tell him. Would you kindly arrange for my appointment?”

So we had an appointment for a fixed time, and we went in there and he made us wait literally three-quarters of an hour in the small anteroom. Whether it was small or big, didn't make any difference, but there we sat. They sent out a messenger, “Pretty soon,” and so forth.

Finally, he had me come in. I think I had somebody with me, one of the officers—maybe Rudel. I told the Minister this work had been going on very nicely, it's very important, and I thought it's at a stage that we ought to transfer it over to him.”

He looked at me and finally got around to apologizing for making me wait out there, because he had to be briefed. “You know, here in India, we're slow. We're not as fast as you people are.”

I said, “Oh, I can understand that. But we would like to make this transfer and put these people in your ministry and make them continue to work and make it useful to your people.”

He said, “We can't do that.” And this went on.

So I laid down the law. I said, “If you don't, we'll dispense with the whole operation. Do you want it or you don't?”

We became great friends, because he was one of the top civil servants who went from the head of one agency to another. He went from agriculture to be the civil servant of defense, which is no small job in the way of prestige. He wasn't very happy, but we did become friends after he became secretary of defense, because we weren't transferring our soldiers to him. [Laughter] But the difficult of moving this sort of stuff on is...

Q: Do you feel that we aren't tough enough on this, that we keep things going too long?

SACCIO: It's hard, because, obviously, it was a very difficult problem to switch 15 people and put them in an Indian ministry, pay them the same as they've been paid, considering what the rest of the guys in that ministry were getting.

Q: Yes. They were getting a lot more working for the AID mission.

SACCIO: Of course, and it was steady. I'm sure the other guys had steady jobs, but they had to have those little chips in order to get jobs.

Great things. The business school in Sao Paulo, the comprehensive school system in Colombia. Certainly Taiwan was a wonderful job. Korea was a terrific job.

Q: Do you mean this is where we've had successes?

SACCIO: Yes. Whether it was through technical assistance or economic development money where they could import things. Mostly on the basis, the successes were on the base that would accept it. In China, you would get it. In Taiwan, you would get it because you had a bunch of Ph.D.s, and it was embarrassing to walk into that room with Ph.D.s from Princeton, Harvard, and all, sitting around me, with my little J.D. from

Columbia University. I mean, they were all good. They knew their stuff, and they weren't just scholars. They were in the government. And you had that.

Korea, I imagine it was the same thing, possibly because they were trained by the Japanese all during the long occupation; they were working with them and it was an industrial country to a certain extent, even before they were freed of Japan. In Brazil, you have a lot of intelligent people, but it's not so set up.

Q: Let me ask you. You served in Salvador, you served in Brazil, you served in Argentina, you served in India. You saw a lot of what happened in Korea. Why is it that Latin America, frankly, does not develop, and I think quite a few of their elite have gone to our best schools? And yet, places like Korea, Japan, Singapore, they do develop. I would like to say, and I'd like to test this, that I think it's cultural. There's a different culture.

SACCIO: You take the Chinese: They have a sophisticated culture of five, six, seven thousand years, with scholars as the key to their culture; scholarly exams to get into the government, competition of a high order, enough base in practical science, and no competition from the outside to undercut their production.

You take Latin America. The moment that the tin pots from Manchester came in, home craft went out the window, because you could buy a tin can or tin pot for nothing. They came in from Manchester, which the British wanted to sell, and they would get food in return. And that's what you got from the Latinos.

The economic minister of Colombia in the 19th century said that. “We are in a wonderful position, because we can get all their goods and just give them food.” And they said it in a book, with no recognition that industrial production is the heart and soundness of your currency.

If you can't produce anything, why would the government give you a dollar for anything unless you produce something for it. I mean, if you read Galbraith's little book on money, the government doesn't put dollars out for nothing. It's got to get something in return.

Well, the Indians used wampum as exchange. It was only good as long as there were beaver. The moment the beaver disappeared, the colonists weren't interested in it. They wanted hard cash. And where did they get the hard cash? By shipping goods to England. That's where they got paid.

Bernard De Voto pointed that out years ago. The two cultures that came together, the European and the Indians, were ice ages apart. The stone ages and the European modern culture, they came together, and it was perfectly easy for the poor Indian to take what he could get. They would give them instruments made out of iron and steel, not the stones, and they wanted it and they were willing to pay. They went out hunting for beaver. When the beaver ran out, they weren't getting anything. So he pointed out simply. When you get this sort of thing, how do expect them to live together without clashing? That's it.

Thomas Jefferson was willing to say, “Now, if we teach these Indians to mark out their land and grow their food, they will be so interested in selling their product, that the land becomes worth something, and they will become suppliers. As long as they don't care about the land, they don't have any interest. And this is the only way,” Mr. Jefferson said, “we're going to civilize these people. Make them realize that the land is worth something, and that we're willing to pay for it.”

One thing in Colombia that I want to point out. About the time I was leaving, I went to pay my call on the ex-president, who did a great job for Colombia, Lleras Camargo.

Q: We're talking about the president of Colombia—the former president of Colombia?

SACCIO: The former president when I was leaving.

Q: Lleras Camargo.

SACCIO: I went to pay my respects, saying I was leaving the Colombia. He was in his little place in the country. And it was interesting, because as I learned Colombians were not the kind that amassed great wealth. They were very modest in their material resources. He lived in a very simple house, and when he quit the presidency, he went to this little place in the country where he bought a little house with just, you know, 100 x 50. He said he made a big mistake because he didn't ask the farmer for the field out there so he could keep the view. He couldn't get it from him now unless he paid him a fortune.

But the thing he said was really something. He had done a job for Colombia in getting it somewhat straightened out economically— coffee and so forth. And he turned around to me and he said, “You know, if it hadn't been for your AID program, I would never have been able to do it.” This was the first time I ever heard anything like that. And my political officer said, “My, God. This is the first time anybody has said that.”

When I arrived in Colombia, the foreign minister did not know anything about our AID program. I said, “Se#or Ministro, we have a program here of $100 million, the largest per capita program in the world, for 20 million people.”

He said, “I didn't know that.” The next time I met him with another minister, he said to the other Minister, “Did you know that they have a program here of $100 million?” He said, “They do?” This is incredible!

Q: Where was USIA in all this?

SACCIO: So I called them in. I said, “What's this? The foreign minister doesn't know how much we're doing here.”

He said, “Well, it's not our policy to embarrass them.”

I said, “You mean to say that?” President Nixon delivered a speech at that point, and he had a whole section about helping the Latin Americans. And the best paper in Colombia, La Prensa, I think it was, “Promesas, Promesas, Promesas, Promesas.” A nice editorial. They always promise, and what the hell do they do?

So that's when I called the AID director. I can't remember his name. He became ambassador to Costa Rica.

Q: Marvin Weisman.

SACCIO: I called him in with the USIS director, who was a tough kind of character, pretty knowledgeable and all that. I said, “Hey, what's this here, 'promesas, promesas'? I want you to write a letter saying what we're doing for this country, and I'll answer that 'promesas, promesas.'”

They said, “You don't want to do that.”

I said, “Yes, I do.”

“Well, you know, we don't like to...

Q: Blow our own horn? Something like that?

SACCIO: Stick their nose in. I said, “Okay. You go back and write that letter, and I want you to review it very carefully and put everything that we're doing in this country. And come back, we'll review it, and if it's okay, I'll sign it.”

They did. They got up a very good letter on what we were doing in the country. That being done, he said, “What do you want me to do with it?”

“What do you want me to do with it! Take it to the damn editor and tell him to print it!”

“Well, you know the editor.”

I said, “Oh, yes. I know the editor. Just go over and do it.” It was on the front page of La Prensa.

Q: And they did publish it on the front page? Very good.

SACCIO: Then they wrote another weak editorial, “But, you know, you're not doing enough.” All in the same vein as the meeting of a bunch of Latin American economists in Caracas at one point. The headline came out of the conference, “The foreigners have invested $8 billion in Latin America, and they took out $9 billion.”

I said, “Okay, here's your chance. If you put $100 in the bank, do you only want to take $70 out?” Come on. Tell them that money makes money. That's the whole point.

Q: Both of you are supposed to profit from it.

SACCIO: I did the same thing in Brazil. I went down to Sao Paulo and addressed the American Chamber of Commerce, and I told them what we were doing in Brazil. I came back and Lincoln Gordon said, “Why the hell don't you write speeches like that for me?” Because he was asking his political officers to write his speech. I said, “Well, that's my job. I went down. You knew I was going down. I had to make a speech.”

The interesting part about it is when they published it, the radical press was sure not to have my picture up there. I had an address where we were giving some aid to the aviation industry, and they had pictures of everybody except me. I mean, they cut it right off. I asked them, you know, “I was the principal speaker, wasn't I? Why isn't my picture there?”

“Well, that's what they do.”

Another problem that we had. We have gold mines in northwest Colombia—private enterprise, American They've been there for years. It's in the jungle, and like in any

underdeveloped country, wherever you have a plant or an operation or a project, it attracts immediately. Just as if you were a tourist stopped at a side road in Mexico or in India, before you know it, there are kids there, and they would talk to you or ask you for something. And the attraction of the native Indians, whether native Indians or mixed blood, were all there. They want food, they want shelter, and so forth, and the criticism is, “Look at all the money they're making, and they're talking it away and this is our land.”

I wrote to Jack Ohly about the same situation in the far north of Brazil, where a couple of Brazilian entrepreneurs had created a chemical factory. They had to build a fence so tight to prevent people from getting in. Because where there is a company commissary; there was food, there is housing, and it just breaks your heart to see how the people all go there trying to get in and break through the fence.

The same thing in India. I observed it. We went to one plant there, which was being inaugurated with our help. All around it, they had high fences and guards so that nobody could get in there, because they all came to the place.

The gold mines in Colombia, they said, “Look, this is ours. They're taking it away.” And I said right back to the guy, “Why don't you buy it. Why don't you take it over. We'll advertise these mines for sale. Why don't you buy it? Why don't the Colombians? You have rich men, rich people. Why don't you buy the mines? Because I looked into it. They're making 14 percent on their investment. It isn't very much, but they keep going.”

“Well, we won't be able to make enough money on it.”

Q: Not enough for them.

SACCIO: No, because they're in a risky business working in those places, if you don't make 25 percent. And it's natural. I mean, this is true of what's true in our country. If you don't make a substantial investment in the development of the country, the risks you take are such that you demand a high price for your money.

Q: We're talking about land reform. You were saying about land reform?

SACCIO: As far as I know, it never worked in Latin America. Mexico started quite early on the whole idea, but sensibly divided agriculture between what they call the ejidos and private enterprise farming, and much of the Mexican wheat is grown by the private people. When the Brazilians went to do the same, they recognized that they had to have large-scale farming.

Q: Otherwise, it won't compete.

SACCIO: So that was no solution. Family planning, they were all interested in trying to do something about it, but it's hard to get a grip on the thing where people have no recourse. They have no reason themselves to control births. They need kids to help them do what they need in the way of work. It's only when they reach a certain level of affluence that they say, “Well, we can't have any more kids, for the simple reason that I don't want to become poor.” And I think the administration ought to have its head examined in stopping the family aid programs.

Q: The family planning programs.

SACCIO: They should know. The sophisticated white people in this country have a low opinion of the blacks, the minorities, and so forth, who produce kids by the dozen.

Q: As we wind up, let me ask you a couple of questions. Let's take Colombia. You were going there as ambassador. What kind of briefing or preparation was offered to you by various agencies in Washington? I mean, I don't want the details, but generally, did you have good briefing or what before you went to Colombia?

SACCIO: Well, I met with bankers and a whole group of industrialists in New York, and we just pleasantly talked of the general knowledge of the bad situation there and the whole idea. They seemed to be in favor that we ought to do something, as any good

businessman wants to do business, wants people who can pay for their food and pay for their products.

Q: What about your briefing by the department?

SACCIO: I don't recall that it was anything more than the usual, you know, population and how much was there, how large the program was, who was there before. I found out a lot of facts myself. I came across myself the amazing fact that in “compensation for taking Panama,”—I'm quoting T.R.—we took it. The United States Congress felt so much about it after the canal was built and everything was going fine, in the '20s they gave Colombia $25 million in a sort of gesture. That was a bonanza that Colombia was just so grateful for. It lived on that $25 million, and it was just absolutely great.

Another odd fact was that when there was a first Pan-American Conference in Washington back in '98,(???) I think it was, we invited all the Latin American countries up here and had all of the stuffed shirts of the presidents and diplomats. And one of the things that we offered the delegations was a trip through the United States railway system. The Argentines, “No, we have railways.”

Q: The Argentines did not accept.

SACCIO: No. They wouldn't go on it. It was demeaning.

Q: Did you meet with any other people who had been in ambassador to Colombia, other U.S. ambassadors who had been ambassadors to Colombia?

SACCIO: My only meeting with Spruille Braden was across the argument table.

Q: Spruille Braden?

SACCIO: You don't remember Spruille Braden?

Q: I remember Braden. I didn't know he had ever been to Colombia.

SACCIO: He was ambassador there, one of the early ones.

Q: This is before he was ambassador to Argentina?

SACCIO: No, it was Colombia he was ambassador to.

Q: Colombia?

SACCIO: He may have been in Argentina, too.

Q: I think Spruille Braden was an ambassador to Argentina and was taken out because he had gotten involved in the local election before it happened.

SACCIO: I thought it was Colombia, because I had heard all kinds of stories about him there and the difficulty of getting his car from the east coast. You might check that. But he and I had an argument across the table in the Senate Finance Committee. And I forget what the argument was about. But he mentioned my name, and he thought I was wrong or something else, and I thought he was wrong.

And I met up with Willard Beaulac. He came around. He was ambassador to Salvador. He died recently. He's the one man I remember—I'm sure there were others who said the same, and I think McClintock was probably one of them—who said, in effect, that we've got too many people abroad. All the embassy needs is a good ambassador, a good political officer, a good administrator, and that's all. Not these hundreds all over the place.

And one guy will never forgive me for kicking him out of Argentina because, in my opinion, he was surplus. He represented the Treasury, and he had been there a little longer. He had great friends all over the place, particularly in the financial sections, and I was the guy who had to go to the foreign minister and urge him not to sell us out on gold. And they

were so kind to me. It was Christmas, and they said, “We can't deny what you're asking. It's Christmas.” [Laughter]

Q: Always go on Christmas.

SACCIO: Well, he was an awfully nice guy. He was under Ongania. He was the economic minister. And I told him about the tax situation, how terrible it was, that they ought to do something. Because what these Argentine's were doing was letting the inflation take care of it, then pay it with the same worthless pesos years later. And I said, “You've got to really do something if you're ever going to get out of this thing.”

He said, “I know. I know what happens. There's a little notice that a computer has come to town on a freighter, and immediately they start paying their taxes.”

“That's the idea.” I forget what it was I asked him to do. Do you know who he called? One of the military officers before he would act.

Q: He called the military officer?

Well, as we wind this up, do you have any general observations or concluding observations you'd like to make about this business called foreign affairs?

SACCIO: Well, I worry about this time and again. I've gone from the one end of the spectrum of saying let them alone, let them figure their own way out. Help them some, but don't get in there. To maybe not the other extreme, but the other level of operation, of getting into the U.N. and working from there with the idea that you must recognize the individual sovereignty of a country, even if you don't like what it is, and help them as much as you possibly can with training, education, possibly investments, wisely made, without regard to whether they're pink, black, or white.

The thing that impresses me is that's what the present administration is doing. It's talking about the sanctity of a country, and it cannot be invaded by another. And if you have this,

you cannot have a democracy in the UN, because it means that the General Assembly will vote themselves everything they want.

Q: All the little countries will outvote.

SACCIO: Sure. So you have to have this system, and you should have the court which resolves technical or contractual questions and not decide that you don't have to go in if you don't want to.

But studying the Constitution as I did because of the bicentennial we had—Forest McDonald, he is one of the great scholars; he wrote a very good book on it—it became so evident that the Constitution was based really on the experience of the people of 150 years of colonial self-government, and they knew where they had to compromise and that the judiciary could not be in the pocket of the executive nor the legislature could not run free of any restraint. And one of the participants in the convention said it. This is not Locke who's telling us to do this, or Montaigne and so forth. This is based on the compromises we know we have to make. And when you hear these people say, you know, “The Constitution gave us liberty.”

The other conclusion is that the document has to work itself out. It is not self-administering. And all of our people, when they wrote this Constitution, knew it. They said it's going to be God or luck that this really works out. We don't know it is. And you had all kinds of crises, like Jackson telling the court to go fish, the bank, and you had the Hartford Convention wanting to get out. You had all kinds of things, but it still kept going, because it was based pretty much on, say, 2,000 years of British government. It's hard to realize that there was 150 years of experience, 1620 to 1776. And 150 years, the colonies was so damn prosperous for the first 50 years, it wasn't even funny. After the Revolution, they had a little trouble.

Q: Really from 1620 to 1787, to the Constitutional Convention.

SACCIO: It was a long period after King Phillip's War, where New England went down like this, because it destroyed itself in that war. They came in, and they had a free ride, because the Indians had been devastated by disease, by the fishermen who came down from the north and the dealings with them. They found a population of 20,000, where there was 80,000 before. The trails were built, the farms were built, communication systems were all there, and it was so easy for them. Before you knew it, they were prospering like all get-out. They had a good relationship with the Indians because the Indians wanted what they saw, and the colonists were willing to pay for it in their wampum.

Now, the result is that it is hard to impose one culture on another, no matter what you do. And the whole idea of the UN is that these various cultures can work together, if you don't assume to dictate one on the other. You have to have some order. And the order, when you talk about there's a moral content in our foreign policy—I'm sure there is—the moral content is they're doing something that works out, and not something because you think it's liberty or democracy. We love it. We're getting less of it because we're becoming a crowded nation, and we need all the rules and regulations. It's going to get more and more difficult.

But look at the way a guy like Tom Wicker turns around, the New York Times columnist. He wrote a column about referendum in California, rule by the people. He's a liberal; we know that. He's quite a liberal, and what he said about those damn conservatives and supply economists, he wrote a column and said, “This is crazy. You can't pass legislation like that. There is no considerations of the difficulties, of the nuances, that you have to think of in passing a law. You just say, 'No tax over two percent and that's it.' Look at what the hell it's done to California.”

Q: Thank you very much, sir.

SACCIO: Not at all.

End of interview